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ASEAN Leaders Praise Group's Anniversary

BK0808100092 Jakarta ANTARA in English 0750 GMT 8 Aug 92

[Text] Jakarta, Aug 8 (OANA/ANTARA)—ASEAN heads of state have reaffirmed their commitment to the implementation of the agreement they have reached during their fourth summit meeting in Singapore early this year, especially concerning the establishment of an ASEAN Free Trade Area (AFTA).

They were also resolved to further promote regional resilience based on the prosperity approach towards the maintenance of peace and political stability in the region.

The reaffirmation of the heads of state was concluded from texts of felicitation messages by the six heads of state of ASEAN member states in conjunction with the 25th anniversary of ASEAN, received here Saturday.

The six heads of government shared the view that the 25-year secured regional stability was a supportive factor in pursuing a strong economic development and enhancing public welfare in the region.

The Association of Southeast Asian Nations groups Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singpore and Thailand.

President Suharto of Indonesia said in his message that ASEAN has taken a right direction in creating a condition enabling all its member states to implement economic development in their respective countries.

He called on ASEAN to maintain its strategies and adjust them to the new development and challenges in the future.

However, Suharto said that he was confident that the new policy and directives laid down at the fourth ASEAN summit in Singapore early this year would strengthen the existing cooperation and ascertain the right path for ASEAN to embark upon in entering the 21st century.

The direction towards this goal, according to Sultan of Brunei Darussalam Hassanal Bolkiah, may pose new challenges requiring extra vigilance and strong unity from the member states.

But, the sultan believed that, as a regional organization, ASEAN has shown a great achievement in effectively playing an active role in solving its own problems in the region.

"This is significant not only to ASEAN itself but also to the world as a whole," he added.

Malaysian Prime Minister Dr. Mahathir Mohammed meanwhile stressed the importance of ASEAN to have a wider base in facing uncertainties arising from new developments as the aftermath of the political and economic changes in the region.

He said that with a strong commitment to the regional cooperation and consultation, ASEAN has developed a sense of understanding among countries in Southeast Asia.

"ASEAN must therefore represent the aspirations of all countries in Southeast Asia," he added.

Vietnam's and Laos's access to the Treaty on Amity and Cooperation in Southeast Asia, according to Mahathir, is a logical development, existing in the region.

With regard to the influences of ASEAN across Asia, President Fidel Ramos of the Philippines said that the growth rate of the ASEAN member states has gained a measure of respect in the world community.

As a member state of ASEAN, the Philippines is determined to improve its economic condition as well as its internal situation for the support of the enhancement of regional stability, Ramos added.

Singaporean Prime Minister Goh Chok Tong in his written message considered ASEAN as the most successful third world regional organization.

Referring to the outcomes of the fourth ASEAN summit in Singapore, Goh said that ASEAN entered a new phase of cooperation.

An ASEAN Free Trade Area (AFTA) will integrate the economies of the member states which help improve the competitive edge of ASEAN's products on overseas market, he said.

"To implement AFTA, we must show the same degree of political will that kept us together for 25 years to bring ASEAN into the 21th century," he added.

Prime Minister of Thailand Anan Panyarachun said that the decision made at the ASEAN summit in Singapore as a major step forward taken by countries in Southeast Asia.

With the building up of the inner strength of its economy, ASEAN will constitute a large market attractive to traders and investors, he added.

However, Panyarachun called for an effort to improve the quality of human resources through an enhanced cooperation among the ASEAN member states.

"We should lay added emphasis on the promotion of human resources developement, particularly through education and public health," he noted.

Japan

Prospect of North American Trade Pact Viewed

OW1008072792 Tokyo KYODO in English 0707 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Japanese Vice Trade Minister Yuji Tanahashi welcomed Monday reports that the United States, Canada, and Mexico are nearing agreement on a free trade pact.

"Creating a new economic area in North America is a good move as long as it obeys the spirit of GATT," the Ministry of International Trade and Industry (MITI) official said, referring to the General Agreement on Tariffs and Trade, the framework under which global trade talks are held.

News reports have increasingly said the three countries are nearing completion of 14 months of negotiations on a North American free trade ageement.

Referring to expected difficulties in eliminating tariffs and easing quotas and other restrictions among the North American countries, Tanahashi said the free trade zone "should always be open."

The U.S. and Canada have argued over local-content ratios in auto production. And U.S. labor groups and others worry about losing jobs and about human rights if plants are set up in Mexico's bonded "maquiladora" border zones.

Nissan Begins Receiving GM Engine Cylinders

OW0808033192 Tokyo KYODO in English 0215 GMT 8 Aug 92

[Text] New York, Aug. 7 KYODO—Nissan Motor Co. said Friday it has begun receiving engine cylinders from General Motors Corp. of the United States as part of its efforts to increase purchases of U.S.-made auto parts.

The No. 2 Japanese automaker will purchase 10,000 GM cylinders a month, according to an agreement between the two companies.

The cylinders will be sent from GM's Ohio plant to be assembled at the Nissan Plant in Yokohama for 3000 [word indistinct], six-cylinder engines, a Nissan spokesman said in New York.

Tokyo 'Interested' in Poltoranin Okinawa Visit

OW0808131092 Naha OKINAWA TIMES in Japanese 8 Aug 92 Morning Edition p 1

[Text] KYODO—The government is deeply interested in the visit to Okinawa by Russian Deputy Prime Minister Mikhail Poltoranin, who is seeking a model case for settling the northern territories issue, because the government views the Russian attitude as a sign that Russia is seriously thinking about tangible measures for returning the four islands.

The government believes that the Okinawan reversion to Japan has interested the Russian side because the Okinawan case provides the Russians with ideas regarding: 1) the form of administrative authority over Kunashiri and Etorofu Islands, which Russia may be allowed temporarily to govern after it recognizes Japan's sovereignty over the northern islands; and 2) Russian residents' legal rights and duties after a return of the islands.

(A high-ranking Foreign Ministry official noted that) "the two cases are different from the starting point because the northern islands are being occupied illegally." Nevertheless, the government intends to hastily study legal and technical problems to cope with any territorial offers from the Russian side, because several quarters in Russia, including within the government and parliament, have been recently preparing various proposals for settling the territorial dispute.

The U.S. administrative power over Okinawa was authorized by the San Francisco Peace Treaty, which legalized U.S. occupation of the islands. The administrative power over the northern islands will not come up for discussions until Russia acknowledges Japan's sovereignty over the four islands. Deputy Prime Minister Poltoranin did not comment on that point, saying that "the decision must be made by the president"; however, he hinted that the issue of administrative authority may be discussed in the future territorial negotiations: "We are trying to decide which is the best method for settling the issue."

A top Foreign Ministry official welcomed the Poltoranin remarks, saying that "the Yeltsin administration is sincerely dealing with the issue." On the other hand, some quarters are concerned that a recognition of Russia's administration authority over the northern territories may virtually rule out the return of Kunashiri and Etorofu.

Yeltsin's Aide To Visit Tokyo in Late Aug

OW0708233792 Tokyo KYODO in English 2320 GMT 7 Aug 92

[Text] Moscow, Aug. 8 KYODO—A top aide to Russian President Boris Yeltsin will visit Tokyo in late August to prepare for Yeltsin's scheduled visit to Japan in mid-September, Russian Government sources said Friday.

Yuriy Petrov, head of the Russian president's staff, will visit Tokyo sometime after August 24 and Japanese Foreign Minister Michio Watanabe will visit Moscow later, the sources said.

Russian Foreign Minister Andrey Kozyrev is scheduled to visit Japan around September 10, shortly before Yeltsin begins his visit to Tokyo on September 13.

Petrov is likely to sound out Japan over a bilateral territorial issue, which will be a major item on the agenda during Yeltsin's visit, Japanese sources said.

Petrov, former ambassador to Cuba, succeeded Yeltsin in the post of first secretary general of the Sverdlovsk District Committee of the former Soviet Communist Party.

Russia Seeks Aid To Set Up Investment Bank

OW0908033092 Tokyo KYODO in English 0247 GMT 9 Aug 92

[Text] Tokyo, Aug. 9 KYODO—Russia has sounded out Japan about the possibility of setting up an investment bank and a business school with Japanese aid to help foster small and medium-sized Russian companies, the MAINICHI SHIMBUN reported Sunday.

Russia apparently is considering the plan to push ahead with its economic reforms by fostering entrepreneurs, the nationwide Japanese newspaper said.

The paper, however, quoted a senior official in Japan's Foreign Ministry as saying "we have heard about the idea but no formal proposal has been made by the Russians."

If given, Japanese assistance would be limited to know-how on managing the investment bank and no direct financial aid would be offered, said the official, whose name was not given in the paper.

Japan is unwilling to offer major financial aid or economic cooperation to Russia unless significant progress is made on the issue of northern islands held by the Russians, the paper said.

Miyazawa on Cambodia, Emperor's PRC Visit

OW0908070292 Tokyo KYODO in English 0649 GMT 9 Aug 92

[Text] Nagasaki, Aug. 9 KYODO—Prime Minister Kiichi Miyazawa said Sunday the government will consider specific plans to join United Nations peacekeeping mission in Cambodia after sending a final fact-finding mission to the war-torn country.

"It is necessary to conduct research by experts. We will send a 20-plus member study team to look into job types, the necessary personnel and equipment," Miyazawa said at a news conference.

The team will leave Tuesday for Phnom Penh on a weeklong fact-finding mission to study how Japanese troops can best restore major highways and bridges in southern Cambodia, government officials said.

With the enactment of a law authorizing the dispatch of Japanese troops overseas to join UN peacekeeping missions, Japan is preparing to send Self-Defense Forces personnel to Cambodia to cooperate with UN peacekeepers.

"We have one step or two more to go forward, so I cannot exactly say when to send peacekeepers to Cambodia," Miyazawa said.

He also said Japan will continue working diplomatically to secure peace in Cambodia by trying to persuade the Khmer Rouge to cooperate with UN peacekeepers.

The Khmer Rouge, militarily the strongest of the three resistance factions in Cambodia, refuses to enter the second phase of a UN peace plan to disarm the military of all factions.

Miyazawa visited the western Japanese port city of Nagasaki Sunday to attend a ceremony commemorating the 47th anniversary of the atomic bombing on the city.

The United States dropped a 22-kiloton plutonium bomb on Nagasaki on August 9, 1945—three days after the atomic raid on Hiroshima and six days before Japan's surrender in World War II.

The prime minister said he is still considering a planned visit by Emperor Akihito to China this fall.

"Although I wish to on an early occasion [passage as received], I cannot tell you when I will make a decision (on the issue)," he said.

In Tokyo, Chief Cabinet Secretary Koichi Kato suggested the same day that Miyazawa would make the final decision on the matter Monday after talking with executives of the ruling Liberal Democratic Party.

China has invited the emperor to visit China in celebration of the 20th anniversary of the normalized ties between Japan and China.

Miyazawa also repeated his earlier comments, saying, "It would be significant if the visit were to be realized with the blessing of the people both in Japan and China."

Miyazawa also said he has not yet decided whether to visit Yasukuni Shrine in Tokyo, although he hopes to pay tribute to the souls of the war dead in his personal capacity.

The shrine is dedicated to Japan's war dead, including some Class-A war criminals of World War II.

Former Prime Minister Yasuhiro Nakasone paid an official visit there as a premier in 1985, the first prime minister to do so in postwar history, drawing harsh criticism from some Asian countries such as China and South Korea.

On a legislation to aid victims of the atomic bombings in Hiroshima and Nagasaki, demanded by the victims and their supporters, Miyazawa said only that it is sufficient to continue improving the current aid programs for medical treatment and public welfare.

Cabinet Members Respond to Emperor's PRC Trip

OW0808095892 Tokyo KYODO in English 0851 GMT 8 Aug 92

[Text] Tokyo, Aug. 8 KYODO—Eight of the 20 members of Prime Minister Kiichi Miyazawa's cabinet clearly favor a proposed visit by Emperor Akihito to China, while 12 would not respond clearly to a KYODO News Service survey released Saturday.

Among those favoring a visit later this year, if a domestic consensus can be reached, are Foreign Minister Michio Watanabe, International Trade and Industry Minister Kozo Watanabe, Transport Minister Keiwa Okuda, Education Minister Kunio Hatoyama, and Labor Minister Tetsuo Kondo.

The governing Liberal Democratic Party (LDP) concluded in-house deliberations Friday on the visit, which would commemorate the 20th anniversary of normalized bilateral ties, and left the decision to Miyazawa.

The prime minister, who has spoken in favor of the visit and received backing from several former prime ministers and party leaders, is expected to decide formally on the trip early next week.

Besides the eight in favor of a trip, the others either declined to respond or gave ambiguous replies.

For example, Science and Technology Agency chief Kanzo Yanigawa expressed caution, saying "various problems" must be taken into account.

Some LDP parliamentarians have objected to an imperial visit to China on the grounds it might become politicized, with the emperor put under pressure to apologize for Japan's military aggression during and before World War II.

They also say the trip's impact on various bilateral political issues would clash with the emperor's role, which Japan's postwar Constitution limits to that of symbol of the state and of the unity of the people.

The trip would take place against the backdrop of the annual pilgrimage of leading Japanese political figures to the Yasukuni shrine in Tokyo to pay respects to Japanese war dead, including war criminals.

Another obstacle is the two countries' dispute over sovereignty of the Senkaku Islands in the East China Sea.

Some parliamentarians warn that China would exploit the visit to try to win back political legitimacy amid international criticism of its human rights record, which they say would lead to criticism that Japan is insensitive to human rights abuses there.

Emperor Akihito To Proceed With China Visit

OW1008024192 Tokyo KYODO in English 0155 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Prime Minister Kiichi Miyazawa has decided to proceed with Emperor Akihito's visit to China this autumn, the 20th anniversary of the normalization of diplomatic relations, official sources said.

The sources said Miyazawa will relay his decision to the leadership of the ruling Liberal Democratic Party later in the day.

China has repeatedly invited the emperor to come to China.

LDP Informed of Decision on Visit

OW1008092292 Tokyo KYODO in English 0857 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Prime Minister Kiichi Miyazawa on Monday formally conveyed his approval of Emperor Akihito's proposed visit to China in October to the governing Liberal Democratic Party (LDP) leadership, party officials said.

Miyazawa made the decision despite opposition to the visit from a number of right wingers of the ruling party.

The cabinet will make a formal decision concerning the historic trip to mark the 20th anniversary of normalized bilateral relations at a meeting August 25, the officials said.

If the trip is formally approved, Emperor Akihito will be the first reigning Japanese emperor to visit China in the long history of two countries' exchanges.

The emperor is expected to visit Beijing, Shanghai and the ancient capital of Xian for six days from October 22.

Critics, however, say an early visit to China by the emperor would be unwise since the two countries remain locked in disputes over the Senkaku Islands, the question of compensation for Japan's wartime aggression, China's human rights record, and other issues.

They argue that the trip's impact on such political issues would clash with the emperor's constitutionally limited role as "symbol of the state and of the unity of the people."

The LDP concluded in-house deliberations on the matter Friday, leaving it to Miyazawa to decide whether the emperor should make the journey.

Party Opposition Opposes Emperor's PRC Visit

OW0808021092 Tokyo KYODO in English 0147 GMT 8 Aug 92

[Text] Tokyo, Aug. 8 KYODO—The controversy swirling around Emperor Akihito's hotly debated invitation to visit China is fostering strange bedfellows.

Liberal Democratic Party (LDP) Legislator Tadashi Itagaki is a staunch royalist who also advocates annual official visits by the prime minister to Tokyo's Yasukuni Shrine to console the souls of the war dead.

Nobuaki Nakagawa, a Christian activist, would like Emperor Akihito to step down and campaigns against official patronage of Yasukuni Shrine, where those enshrined include war criminals such as Prime Minister Hideki Tojo.

Ordinarily, the two are arch political foes. But when it comes to taking sides on China's invitation to Emperor Akihito, they both shout in unison "No."

Both say the Emperor's visit to a country such as China, where wartime grudges remain strong, will politicize the imperial institution which, according to the Constitution, should serve as no more than a cultural beacon.

They object to what they suspect is China's unspoken agenda of seeking international legitimization as it continues its diplomatic recovery three years after the Tiananmen Square crackdown on pro-democracy demonstrators.

And though their reasons differ, they both chafe at what they see as a washing away of war memories with a flood of economic aid—both expect the visit to result in more Japanese aid to China.

Itagaki says that half a century after World War II, historians have not yet closed the book on which acts were justified and which were excesses, and bristles at the suggestion that the late Emperor Hirohito, the present emperor's father, might be held responsible for the war.

Nakagawa says Japan should compensate individual victims, and suggests the Emperor express his apologies and remorse by abdicating.

Neither of the men is expected to sway Prime Minister Kiichi Miyazawa from his determination to approve the Emperor's visit to celebrate this year's 20th anniversary of the normalization of ties.

Nor are they regarded as mirroring mainstream opinion.

"The average citizen isn't particularly interested in whether or not Emperor Akihito visits China," says Professor Masaru Ikei of Tokyo's Keio University, an expert in the diplomatic history of modern Japan.

Recent newspaper polls have shown from 54 percent to 70 percent of respondents backing the visit, with less than 20 percent opposed.

The cabinet is expected to give the green light after mollifying objectors in the ruling party's ranks.

"All this noise is the result of a few right-wingers," whose voices are amplified by media coverage, says Diet Member Yoshiro Hayashi, a senior member of Miyazawa's faction in the LDP.

"The visit is only for the purpose of strengthening friendly relations. It has no political meaning," he said.

Hayashi contrasts the atmosphere in Beijing to Seoul, where he said the Emperor could not make an "apolitical" visit because anti-Japanese feelings are still simmering over Tokyo's 1910-1945 colonial rule, as demonstrated by recent outrage over the tens of thousands of Korean women pressed to serve as wartime prostitutes for Japanese soldiers.

China has indicated that it expects the same treatment as South Korea on the issue of these "comfort women," though it is letting Seoul take the lead. Earlier this year the National People's Congress, China's legislature, dropped a bill demanding 24 trillion yen for war-related suffering by Chinese civilians.

While Japanese Government officials assert in public that the visit is aimed at nothing more than cementing friendship, in private they express expectations of firming ties that could form an important power hub in post-cold war Asia.

"This is certain to settle wartime bitterness," one senior government official said confidently, remarking how China, in anticipation of the visit, has already toned down its criticism of Japan's new law allowing its troops to participate in U.N. peacekeeping operations in Cambodia and elsewhere.

An adviser to Miyazawa, speculating on how South Korea would interpret the visit, concluded that nations in the region must accept the importance of Sino-Japanese ties.

"We support economic reforms in China, so the Emperor's visit should be useful," he said.

Further on Opposition Reaction

OW1008125992 Tokyo KYODO in English 1226 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—The Social Democratic Party (SDP) and two centrist opposition parties voiced support for Emperor Akihito's visit to China this fall, while the Japanese Communist Party (JCP) accused the two governments of attempting to use the occasion to gloss over sticky political issues.

The four parties issued statements after Prime Minister Kiichi Miyazawa said he has accepted Beijing's invitation to Emperor Akihito to pay a visit during the 20th anniversary of normalized relations.

SDP Secretary General Sadao Yamahana said it is important for Japan to make amends for the suffering it inflicted on China during its aggression there from the 1930s through World War II.

However, he said the visit must not be given a political agenda and that citizens in both countries should welcome it.

The SDP "supports the visit as an opportunity to develop friendly relations between the Japanese and Chinese people," the statement said.

Komeito Secretary General Yuichi Ichikawa welcomed the visit, saying the emperor's role as a symbol of the nation and the unity of the people is well-established both at home and overseas.

It is unlikely that this visit will be used for political ends, Komeito said in a statement.

The JCP expressed opposition, saying the emperor should not make overseas visits with political or diplomatic significance.

"The Chinese and Japanese Governments are not trying to resolve various issues by their own efforts. They are using the emperor to gloss over such issues in their political and economic self-interest," said Hisashi Miura, chairman of the JCP's panel on cabinet affairs.

Democratic Socialist Party Secretary General Takashi Yonezawa cautioned the government against allowing the visit to create new barriers to friendly relations.

Business Leaders on Emperor's Visit to China

OW1008103892 Tokyo KYODO in English 1007 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Japanese business leaders welcomed Monday the government's decision to accept a Chinese invitation for Emperor Akihito to pay a historic visit to that country.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), expressed hope the imperial trip will help deepen friendly relations between Japan and China.

Prime Minister Kiichi Miyazawa told the ruling Liberal Democratic Party on Monday he would go ahead with Emperor Akihito's China trip this fall to mark the 20th anniversary of rapprochement between the two countries.

It will be the first visit by a reigning Japanese emperor to China.

The business leaders, however, warned against a possibility the imperial visit may be used for political purposes or diplomatic maneuvering.

Rokuro Ishikawa, chairman of the Japan Chamber of Commerce and Industry, said it is a significant step toward normalizing bilateral relations, but it should not be used for political purposes.

Official To Attempt Breaking Cambodia Deadlock

OW0808033292 Tokyo KYODO in English 0159 GMT 8 Aug 92

[Text] Tokyo, Aug. 8 KYODO—The government will send a senior Foreign Ministry official to Bangkok on Monday to try to break the deadlock between the Khmer Rouge and the U.N. Transitional Authority in Cambodia (UNTAC), ministry officials said Saturday.

The official, Tadashi Ikeda, director general of the Asian Affairs Bureau, is expected to talk with Khieu Samphan of the Khmer Rouge and Thai Government officials in a bid to persuade the Khmer Rouge to cooperate with UNTAC.

Khmer Rouge guerrillas have since June defied the UNTAC order to start the second phase of the Paris Peace Accord—disarming and demobilizing warring factions.

The Khmer Rouge has set two conditions to its cooperation in the peace process—increased authority for the Supreme National Council by dissolving the Phnom Penh government and verification of the withdrawal of Vietnamese forces from Cambodia.

The Japanese Government plans to send engineer units of the Self-Defense Forces to Cambodia, possibly as early as October, to join the U.N. peacekeeping operations there. A law on Japan's U.N. peacekeeping cooperation, enacted in June, takes effect next Monday.

In mid-July, Japan made an unsuccessful attempt to break the deadlock between UNTAC and the Khmer Rouge by sending Sakutaro Tanino, a former director general of the Asian Affairs Bureau, to Cambodia to confer with Khieu Samphan and the other Khmer Rouge representative on the Supreme National Council, Son Sen.

Foreign Minister Michio Watanabe told So Khun, the communications, transport and posts minister of the Phnom Penh Government, in late July that Japan, China, and Thailand will work together to try to persuade the Khmer Rouge to abide by the Paris Accord.

Group Proposed To Verify SRV Cambodia Pullout

OW0808100692 Tokyo KYODO in English 0916 GMT 8 Aug 92

[Text] Tokyo, Aug. 8 KYODO—Japan plans to propose a committee to verify the withdrawal of Vietnamese troops from Cambodia to try to persuade the Khmer Rouge to rejoin the country's peace efforts, government officials said Saturday.

Tadashi Ikeda, director general of the Foreign Ministry's Asian Affairs Bureau, is likely to make the proposal to Khmer Rouge leader Khieu Nphan and ask Yasushi Akashi, head of the United Nations Transitional Authority in Cambodia (UNTAC), to work on setting it up, the officials said.

Ikeda will leave Monday for Bangkok to try to break the deadlock between the Khmer Rouge and UNTAC.

The officials said the committee would comprise officials from Cambodia's three guerrilla factions, the Vietnamese-installed Phnom Penh government, and UNTAC.

The Khmer Rouge, the strongest faction militarily, has since June defied an UNTAC order to start the second phase of the U.N.-supervised peace process—disarming and demobilizing the warring factions.

The Khmer Rouge has set two conditions to its cooperation—verification of a Vietnamese withdrawal and increased authority for the Supreme National Council, which represents national sovereignty, by dissolving the Phnom Penh government.

In mid-July, Japan tried to break the deadlock by sending Sakutaro Tanino, a former head of the Asian Affairs Bureau, to Cambodia to confer with Khieu Samphan and Son Sen, the other Khmer Rouge representative on the Supreme Council.

Vietnam invaded Cambodia in 1978 and ousted Pol Pot's Khmer Rouge, which has been blamed internationally for the deaths of more than one million countrymen during its radical rule. Hanoi says all its troops left Cambodia by late 1989, but the Khmer Rouge insists some remain.

Japan plans to send engineer units of its Self-Defense Forces to Cambodia, possibly as early as October, to join the U.N. peacekeeping operations there.

A law enacted in June, which allows Japanese troops to join U.N. peacekeeping missions, takes effect Monday.

Tokyo Opens UN Peacekeeping Cooperation Office

OW1008015192 Tokyo KYODO in English 0059 GMT 10 Aug 92

[Text] Tokyo, aug. 10 KYODO—The Japanese Government opened an office to coordinate United Nations peacekeeping cooperation on Monday as legislation authorizing the dispatch of Japanese troops to overseas peacekeeping missions took effect.

The opening ceremony was held in the Prime Minister's Office with Prime Minister Kiichi Miyazawa's chief spokesman, Koichi Kato, in attendance.

The office is headed by Miyazawa, and veteran diplomat Shunji Yanai serves as its secretary general.

Officials said the new headquarters sets into motion Japan's program to participate for the first time in U.N. Peacekeeping missions abroad.

They said the Japanese Government will decide at a cabinet meeting Tuesday to send an election monitoring team to Angola.

Japan will send a fact-finding mission to Cambodia on Tuesday in preparation for the dispatch of Japanese Self-Defense Forces personnel there later this year.

Prepares for Angola, Cambodia

OW1008080292 Tokyo KYODO in English 0741 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—A 32-member office coordinating UN peacekeeping cooperation began preparing Monday for the dispatch of Japanese personnel to Angola and Cambodia after its inauguration earlier in the day.

Shunji Yanai, secretary general of the office, told a news conference that he expects the dispatch of election monitors in mid-September to be the first operation under the UN Peacekeeping Cooperation Law approved by parliament earlier this summer.

The cabinet is expected Tuesday to approve sending a three-member team to Angola to monitor elections at the end of September.

The office was launched in a ceremony attended by Chief Cabinet Secretary Koichi Kato as legislation authorizing the dispatch of Japanese troops to join UN peacekeeping activities came into effect.

Prime Minister Kiichi Miyazawa is chief of the headquarters.

The office is to serve as a hub for 13 government ministries in coordinating recruitment, training, and material supplies for Japanese peacekeeping missions.

A second fact-finding team is to depart for Cambodia on Tuesday to prepare for the dispatch of Self-Defense Forces personnel later this year.

Watanabe: No Change in Compensation to DPRK

SK0808042592 Seoul YONHAP in English 0303 GMT 8 Aug 92

[Text] Tokyo, Aug. 8 (OANA-YONHAP)—Japan's policy remains to normalize ties with North Korea and pay wartime compensation, just as Japan did with South Korea in 1965, Foreign Minister Michio Watanabe said Saturday.

He told a press conference that any other way would be "extremely difficult" and time consuming.

North Korea and Japan began diplomatic normalization talks in September last year and reparations for the 1910-1945 period of colonial rule is a key issue. Korea was divided at the end of World War II in 1945.

At the time of 1965 normalization, Japan gave Seoul 500 million U.S. dollars in grants and credits as reparations for exploitation of Korea and its people during the war.

Watanabe made the remarks in response to Russian Deputy Prime Minister Mikhail Poltoranin's warning against Japan sending financial aid that may delay North Korea's downfall.

Poltoranin, in Japan this week to arrange details of Russian President Boris Yeltsin's visit, said North Korea was about to collapse and that Korean unification would be hastened if Japan did not pay compensation to Pyongyang.

Such payment, he said, would delay North Korea's downfall.

"To consider North Korea-Japan diplomatic normalization in a completely different perspective from South Korea-Japan normalization is extremely difficult. To seek another way would be very time consuming," Watanabe told reporters.

"There is no change in the Japanese Government's position that it will handle financial matters in the same manner as with South Korea if North Korea will accept," he said.

Pyongyang is said to have asked for between 4 billion to 5 billion dollars in compensation from Tokyo.

'Special Session' of Diet Opens 10 Aug

OW1008034392 Tokyo KYODO in English 0217 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—A formal ceremony to open the 124th extraordinary session was held Monday in the House of Councillors with a speech by Emperor akihito.

Legislators will deal with some personnel affairs, including appointments of government officials, during afternoon plenary sessions of both houses of parliament.

Some deliberations in the special session began already on Friday. Some discussions are expected to last until Tuesday, although most business is to be concluded Monday, officials said.

In the upper house plenary session, five former lawmakers who recently retired will be officially commended for their long services to the Diet. Former upper house president Yuji Osada is among those to be honored.

A longer extraordinary Diet session will open after late September to address such issues as political reform and a supplementary budget intended to revitalize the nation's slumping economy.

'Emergency' Import-Boosting Package Planned

OW0708062892 Tokyo KYODO in English 0520 GMT 7 Aug 92

[Text] Tokyo, Aug. 7 KYODO—The government will draw up a package of emergency measures to boost imports by the end of this month to reduce Japan's swelling external trade surplus, Trade Ministry officials said Friday.

The Ministry of International Trade and Industry officials said the government plans to procure 1 billion dollars worth of foreign equipment.

The equipment will include computers and medical equipment for use in government research institutes and state-run hospitals, they said.

The government also plans to call on 300 businesses to work out import-promotion plans and raise the ceiling on loans extended by the Export-Import Bank of Japan to help finance imports of manufactured goods.

Finance Ministry figures show that Japan's current account surplus for the first six months of this year surged 94.2 percent from a year earlier to a record 56.18 billion dollars.

The strong growth is prompting the government to consider measures to boost imports and thus reduce the nation's trade surplus.

The planned scale of import-promoting measures is much the same as one adopted in fiscal 1987, which ended in March 1988.

Central Bank: Average Bank Lending Rate Down

OW0608081192 Tokyo KYODO in English 0747 GMT 6 Aug 92

[Text] Tokyo, Aug. 6 KYODO—Banks extended new loans at an average 5.685 percent per annum in June, down 0.090 percentage point from the previous month, the Bank of Japan said Thursday.

It was the 16th straight month in which the average bank lending rate fell on a monthly comparison.

The average interest rate on outstanding loans slid 0.111 point to 6.145 percent, the central bank said.

Tokyo Stocks Hit 6-Year Low in Morning Trading

OW1008042292 Tokyo KYODO in English 0239 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Tokyo stock prices tumbled through the 15,000 level on the Nikkei index Monday morning on arbitrage unwinding in an extremely thin market as the negative sentiment seen Friday in reaction to the sell-off of Nippon Telegraph and Telephone (NTT) stock continued.

The Nikkei stock average of 225 selected issues fell 526.90 points to 14,991.37, hitting a six-year-and-five-month low.

The first-section composite Tokyo Stock Price Index (Topix) dropped 31.79 points to 1,149.44 points.

An estimated 100 million shares changed hands, up slightly from 90 million shares on Friday morning.

The Nikkei index opened at its high of 15,470.79 and hit its low of 14,929.55 minutes before the morning close.

With nothing but sell-orders at the opening Monday, participants knew that Friday's abysmal sentiment had not changed over the weekend, and the market would probably be headed for record lows.

Yasuo Ueki, general manager at Nikko Securities Co., said that the sell-off of NTT stock at the end of last week had taken away what little confidence remained in the market and there were no buyers willing to step in at these levels.

NTT once again led the sell-off Monday with sell indications showing for the stock during the entire two hours as sellers far outnumbered buyers.

A combination of the so-called "bon" Japanse summer holideys, investor wariness of further poor corporate earnings reports expected after a rash of disappointing releases last week, and fears about the impact on market psychology of an NTT sell-off, kept investors firmly sidelined, traders said.

George Nimmo, a sales trader at SBCI Securities (Asia) Ltd., said investors are just extremely wary and will not be back until there are indications of change in the real economy.

"In a sense, investors have stopped looking at stock index levels and are focusing on the health of the economy. A 15,000 or 14,000 won't trigger buy orders, only positive specific economic data will," he said.

Now that the market has fallen through the previous year's lows to its lowest level in six years and five months, analysts are very wary about calling a new bottom other than that there are no obvious support lines above the 14,000 level on the Nikkei index.

Finance Minister Said Concerned

OW1008124092 Tokyo KYODO in English 1230 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Finance Minister Tsutomu Hata expressed concern over the plunge in Tokyo stock prices Monday and pledged all-out efforts to bolster the market.

Hata attributed a temporary fall of the Nikkei average below the psychologically important 15,000-point barrier to anxieties over poor corporate performance, coupled with declining confidence in the market by investors.

The key price average rallied mildly toward the end of trading, closing slightly above 15,000.

Hata said there were no signs of distress selling and the price fall reflected psychological factors.

Predicting that stock prices will turn upward when signs of economic recovery are detected, he said he has ordered ministry officials to study what they can do to support the market.

He said the ministry also has begun to work out a package of measures to stimulate the economy by the end of this month.

Hata ruled out that the ministry will come to the aid of financial institutions loaded with a huge amount of nonoperating loans resulting from the burst of the "bubble" economy.

He said he will study the question of the listing of East Japan Railway Co. shares on the stock exchange by the end of fiscal 1992.

Officials Say Economy Worse Than Expected

OW1008061692 Tokyo KYODO in English 0512 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Government and ruling party leaders agreed Monday that the present condition of the domestic economy is worse than has been expected, officials said.

The officials said this conclusion was reached at a top-level meeting between the government and the Liberal Democratic Party.

Those attending the meeting paid special attention to the fall of Tokyo stock prices below the 15,000 level at the end of morning trading Monday, they said.

The officials said the LDP representatives accused the government of adopting an over-optimistic stance toward the economic situation and of inopportune timing in its implementation of stimulation measures.

The party leaders also expressed concern over a possible tax revenue shortfall and the swollen volume of real estate currently held by private corporations.

Yoshiro Mori, chairman of the LDP's Policy Affairs Research Council, said the government and the ruling party will promptly work out a package of measures designed to shore up the economy.

Kato Says 'Fiscal Stimulative Package' Planned

OW1008042992 Tokyo KYODO in English 0341 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Top government spokesman Koichi Kato reiterated Monday his hope that a fiscal stimulative package planned for late August will help restore confidence in the economy, as Tokyo stock prices fell below the 15,000 level.

Chief Cabinet Secretary Kato described the sharp fall in stock prices Monday morning as "regrettable."

To put the economy on a strong footing, the government is planning to compile a fiscal stimulative package by the end of August, Kato said.

He expressed hope that the stock market would respond appropriately to the measures contained in the package.

The government advanced a plan for additional fiscal spending and investment from mid-September to late August after the plan's announcement in July failed to halt the downward spiral on the Tokyo stock exchange.

Official Views Action To Prop Up Stock Prices

OW1008081292 Tokyo KYODO in English 0759 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—Vice Trade Minister Yuji Tanahashi ruled out Monday taking any special measures to support the plunging stock market.

The Ministry of International Trade and Industry (MITI) will not take any steps aimed directly at propping up share prices or ask other government ministries and agencies to do so, Tanahashi told a news conference.

Asked about the Nikkei Stock Average's temporary drop Monday below 15,000, Tanahashi said MITI's job now is to make every effort to revive the economy.

In a pump-priming package the government is expected to release later this month, Tanahashi said, "We will include all that is needed for the economy to recover."

Stock prices "may have reflected the whole economy's current situation and outlook," he said.

While admitting lower stock prices could delay the economic recovery, Tanahashi said his ministry's role is to pursue appropriate economic management.

Ministry To Rectify Work Force 'Imbalance'

OW1008072392 Tokyo KYODO in English 0653 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 KYODO—The Labor Ministry plans to rectify the work force imbalance among industries in a bid to cope with chronic labor shortages under a three-year program starting next fiscal year, ministry officials said Monday.

The program comes amid difficulties facing some industries in securing sufficient manpower because of unfavorable labor conditions, locally known as the "3-K" conditions—"Kitanai" (dirty), "Kiken" (dangerous), and "Kitsui" (difficult).

The officials said the program aims to help resolve labor shortages in the "3-K" industries but also in fast-growing industries such as the information service industry where labor supplies do not meet strong manpower demand.

As an initial step, the ministry plans to set up a study panel in each of six targeted industries—the auto, cargo transport, chain store, hotel, information service, and a yet-to-be chosen industry—to let it recommend ways to secure adequate personnel.

To help each industry carry out recommendations by each study panel, the ministry intends to budget up to 50 million yen a year for each industry for three years starting in fiscal 1993 which begins April 1 next year, according to the officials.

With the aging of the population in Japan, labor shortages are expected to become more acute, prompting debate over how to secure adequate manpower in the future.

In meeting the future manpower shortages, it is an urgent task to study and resolve the problems in each industry, the ministry officials noted.

North Korea

Eighth North-South Red Cross Contact Held

SK0708133192 Pyongyang Korean Central Broadcasting Network in Korean 1305 GMT 7 Aug 92

[Text] The eighth round of the North-South Red Cross working delegates contact for exchanging the elderly parents' visiting groups and art troupes was held today at the conference room of the Neutral Nations Supervisory Commission in Panmunjom.

At the contact, our side stressed that families and relatives who are separated in the North and the South, as well as all fellow countrymen, are worried over the future of the work of exchanging the visiting groups, and clearly stated that this work is an agreement between the North and the South pledged before the nation.

Paying attention to the fact that the South side expressed its readiness to affirmatively review the issue of repatriating old man Yi In-mo during the seventh North-South high-level talks held in Seoul last May, our side stressed that it took the initiative and proposed exchanging elderly parents' visiting groups and art troupes in a bid to realize better circumstances for improving North-South relations.

However, the South side, abruptly raising the nuclear issue, canceled old man Yi In-mo's repatriation, which it had promised to us, and tried to evade the implementation of all agreements between the North and the South, including the exchange of visiting groups. Furthermore, the South side even resumed the Focus Lens joint military exercise which was suspended in recent years and and announced that it will turn this into an actual mobilization exercise. Our side pointed out that thus the South side clearly showed that it has no intention of carrying out the work of exchanging the elderly parents' visiting groups and art troupes.

In addition, our side said that the South side stubbornly opposed our proposals for excluding those who had committed grave crimes, including murder, from the visiting groups and for not slandering or defaming the other side in reporters' news coverage activities. Our side stressed that all facts show that the responsibility for driving the work of exchanging visiting groups into uncertainty totally rests with the South side.

Our side emphasized that the work of exchanging the visiting groups should be realized at any cost and that the South side's authorities even now should take due steps to suspend a row about the nuclear issue against us, to repatriate old man Yi In-mo, and to halt the Focus Lens joint military exercise.

On the other hand, the South side from the outset claimed that we turned the conference room into a site for propaganda, that the elimination of the criminals from visiting groups and prohibition of slander and defamation in reporters' news coverage activities would be difficult and so forth. Thus, the South side undisguisedly exposed its insidious attempt to rupture the work of exchanging elderly parents' visiting groups and art troupes.

Our side reminded the South side that a person called the assistant foreign minister of the South side recently said that without resolution of the nuclear issue, the work of exchanging the elderly parents' visiting groups and art troupes could not be carried out. Our side asked the South side whether his remarks merely reflect his personal view. Referring to a report that the South sides' reporters reported his remarks erroneously, our side closely questioned the South side as to whether the its reporters are all liars.

The South side, which was not able to answer our question, proclaimed in a prepared speech that the work of exchanging elderly parents' visiting groups and art troupes is in jeopardy, thus maneuvering to free itself from responsibility.

Our side took a grave attitude on the South side's remark and stated that its remark is a reckless distortion of the truth and a provocation against us. Then, our side revealed by giving detailed facts why the work of exchanging visiting groups is not progressing. Our side said that this is because the South side's person in authority is pursuing insidious political purposes; is following an outside force which does not want reconciliation and reunification between the North and South; and is creating artificial difficulties. Then our side emphasized that the South side's attitude of saying one thing while facing the other side at the conference table but saying another when not facing the other side is nothing but a poor excuse.

When our side proposed holding the next working-level contact to discuss the work of exchanging visiting groups on 26 August, the South side made a precondition and stubbornly refused to settle the date for the contact.

To realize the work of exchanging visiting groups without fail, our side once again proposed that the day to finish the working-level contacts be the date the lists of visiting groups are exchanged, but the South side rejected this also.

Today's contact shows that our side's position is to realize the work of exchanging elderly parents' visiting groups and art troupes in accordance with the desire of the whole nation, but the South side's position is to rupture the work of exchanging visiting groups by creating various barriers in accordance with the strategy of the United States.

Red Cross Statement Denounces South

SK0808160492 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 8 Aug 92

[Text] Since the exchange of elderly parents' visiting groups and art troupes is now faced with the danger of coming to a breaking point due to the obstructive moves and the acts of breaching faith by the South Korean authorities and the Red Cross organization, the DPRK Red Cross Society Central Committee issued a statement to denounce them in the following:

The DPRK Red Cross Society Central Committee statement:

The exchange of elderly parents' visiting groups and art troupes, which has been promoted in compliance with the points of agreements reached at the seventh round of the North-South high-level talks, is now faced with the danger of coming to a breaking point due to the obstructive moves and acts of breaching faith by the South Korean authorities and the Red Cross organization.

In the eighth contact between the North and South Red Cross working delegates held on 7 August, the South side once again made the nuclear issue a precondition, it refused to repatriate old man Yi In-mo which it earlier promised to do, and persisted in its refusal to call off the Focus Lens joint military exercise, thereby preventing the exchange of the elderly parents' visiting groups and art troupes.

The South side even went so far as to ignore our proposal at the end of the day's contact that the next round of contact between the working delegates be held on 26 August and did not hesitate in committing such a rude act of unilaterally walking out from the meeting without designating a date for the contact.

Because of such behavior by the working delegates from the South Korean Red Cross, the contact between the North-South Red Cross working delegates for discussing the procedural issues regarding the exchange of elderly parents' visiting groups and art troupes has come to a state of breaking up.

The DPRK Red Cross Society Central Committee cannot but express deep regret over the fact that the South Korean Red Cross side is insidiously maneuvering to unilaterally abort the exchange by blindly following the authorities.

What is more, we express our surprise and deep regret the fact that the president of the South Korean Red Cross, while trying to shift the responsibility for the deadlocked contact of the working delegates on to others in a distortion of facts, released on 8 August a very irresponsible and inappropriate statement.

As is well known, the issue of exchanging the visiting groups of elderly parents and art troupes was presented by our side's proposal at the seventh North-South high-level talks. In addition, our side's proposal initiated the working-level contacts for exchanging the visiting groups of elderly parents and art troupes.

Because this work is the first special activity to be conducted since the North-South agreement was validated, we have attached special importance to this work. We have shown all sincerity to bear fruit in procedural discussions in the one or two contacts.

However, from the first day of the working-level contact, the South Korean authorities and its Red Cross did not regard this work as a model for implementing the North-South agreement. They have taken an unjust stance to deliberately throw a wet blanket over the contact.

Immediately after the second working-level contact, the South Korean authorities unreasonably put forward the inappropriate issue of nuclear inspection at the so-called party-government meeting. They decided to postpone all North-South exchanges. At the same time, the South side's spokesman of the North-South high-level talks issued the statement that progress of North-South relations should be postponed because of the nuclear issue.

Since then with their statement serving as an example, North-South relations have returned to confrontation and antagonism in all fields—not reconciliation and unity. This is against the spirit of the North-South agreement. Such an unfavorable situation directly affects both sides' Red Cross working-level delegates' contacts to discuss the exchange of the visiting groups of elderly parents and art troupes. The South side has not shown any sincerity and has repeatedly created artificial stumbling blocks.

The South side even refused to discuss the repatriation of Yi In-mo, which both sides had made concessions on and agreed upon during the North-South high-level talks. On 7 July, the South side's prime minister sent to our side the letter notifying that the South side cannot return Yi In-mo. By so doing, the South side conducted the act of throwing a wet blanket over the exchange of visiting groups of elderly parents and art troupes, which is directly related to the repatriation of Yi In-mo.

With sincerity and perseverance, to realize the work of exchanging visiting groups as scheduled at any cost, our side repeatedly urged the South side to implement the points agreed upon. Our side demanded that the South Korean Red Cross take an appropriate measure for its authorities to withdraw the nuclear issue as a precondition.

In connection with our side's sincerity and generosity, the South side has not shown a positive attitude at all. Worse still, the South side announced the plan of conducting the provocative Focus Lens joint military exercise in July. It said that the Focus Lens joint military exercise will be conducted at the same period as when the exchange of visiting groups is scheduled. By so doing, the South Korean authorities created a graver stumbling block for the visiting groups exchange.

Worse still, the South Korean high-ranking officials, including the minister of the Foreign Affairs, recently proclaimed that unless the nuclear issue is resolved, the exchange of visiting groups of elderly parents cannot be realized. They have openly revealed their inner intent to break up the exchange of visiting groups.

From this standpoint, despite our side's repeated proposal, the South side avoided deciding on a date for the next contact at the eighth round of working-level delegates' contact. Thus, the South side conducted an unpardonable act of refusing to hold a contact itself.

When considered together, such an injudicious act committed yesterday by the South side's working delegates and the so-called statement released today by the president of the South Korean Red Cross cannot be construed other than that the South side had already mapped out a plan to abort the exchange of visiting groups and translated it into action at the eighth round of contacts between the working delegates.

All facts show without any further dispute that the South Korean authorities and the South Korean Red Cross side following the former are entirely to blame for having driven the exchange of elderly parents' visiting groups and art troupes which was put on the calendar as the first special project designed to demonstrate the will to implement the North-South agreement into a grave phase. They have jeopardized its future course.

The South Korean authorities and the Red Cross can never avoid taking responsibility for having driven the exchange of visiting groups into the jeopardy of breaking up. They must also take responsibility for having disappointed all fellow countrymen, no matter what excuses and subterfuges they may cite.

Whether the exchange of visiting groups will be successful or not depends on what attitude the South Korean side will adopt.

If the South Korean authorities and the Red Cross side are interested even a little in the exchange of visiting groups, they should frankly own up to their unjust, inhumane acts before the nation rather than trying to provoke somebody else. They should return to a sincere position to try to save the exchange of visiting groups from a crisis.

Together with all the fellow countrymen, we will watch to see what kind of attitude the South side will adopt.

8 August 1992 Pyongyang

'Plan To Foil' Exchanges Condemned

SK1008094692 Pyongyang KCNA in English 0531 GMT 10 Aug 92

["South Korea Can Never Evade Its Responsibility"—KCNA headline]

[Text] Pyonyang, August 10 (KCNA)—The South side cannot evade on any account its responsibility for having disappointed all the fellow countrymen by bringing the exchange of old parents' visiting groups and art troupes to a head, says NODONG SINMUN in a commentary today.

It recalls that the South side unilaterally walked out of the conference room, refusing to designate the date of next contact, at the 8th contact of working delegates on August 7 and the president of the South Korean Red Cross in a "statement" on August 8 alleged that the exchange of old parents' visiting groups and art troupes was facing a danger of abortion due to the North side.

Refuting this, the news analyst says:

From the beginning of the working level contact, the South side committed perfidious acts casting a gloom on the prospect of the exchange. Breaking their promise to us to send back old man Yi in mo to the North with no condition attached, they said they would not repatriate him, raised a "nuclear" row againt the North, and announced a plan to stage the "Focus Lens" joint military exercise with the United States in the period of the exchange of old parents' visiting groups and art troupes.

They published a "decision" and a "statement" to shelve all the exchanges between the North and the South, haggling about the "nuclear inspection" problem, and, moreover, high-placed authorities including the "foreign minister" provocatively declared without hesitation that "the exchange of old parents' visiting groups is impossible unless the 'nuclear problem' is solved".

Facts indisputably show that the South Korean authorities and Red Cross did not have the least intention to make the exchange of old parents' visiting groups and art troupes from the very beginning and they worked out a plan to foil the exchange beforehand and have carried it into practice. This admits of no argument.

It depends entirely on the South side's atittude whether the exchange of old parents' visiting groups and art troupes is realized or foiled.

Commentary Denounces South's Nuclear 'Commotions'

SK0908014692 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 7 Aug 92

[Chong Pong-kil commentary: "Antinational Crime"]

[Text] Using the so-called nuclear issue as a pretext, the South Korean rulers have viciously continued to make commotions about nuclear weapons.

According to reports, on 3 August the puppet foreign minister met with Perkins, U.S. ambassador to the United Nations, who sneaked into South Korea. During the meeting, the foreign minister babbled that no progress would be made in North-South relations unless the nuclear issue is resolved. In other words, no progress will be made in on-going North-South dialogue and contacts unless their demands for a nuclear inspection of our country are met. This is a deliberate maneuver to nullify the North-South agreement and the joint denuclearization declaration and return North-South relations to a state of mistrust and confrontation, as they were before the documents of agreement were adopted. This is an antinational, antireunification crime.

As everyone knows, we have declared over and over again that we have neither the intention nor the ability to develop nuclear weapons, and we are making every effort to denuclearize the Korean peninsula. Also, the two nonregular [pijonggi] inspections by the International Atomic Energy Agency [IAEA] confirmed that we do not have nuclear weapons and are not developing them. In its report on the first nonregular inspection, the IAEA pointed out that the Nuclear Safeguards Accord, which it had signed with us, has come into effect. The IAEA gave a high rating to our cooperative attitude and made it clear that the republic's nuclear facilities are intended only for peaceful purposes and have nothing to do with nuclear weapons development. An IAEA spokesman said that our nuclear facilities are still far from being capable of developing nuclear weapons. He also stated that he cannot support the U.S. Central Intelligence Agency report that North Korea would develop nuclear weapons from within a few months to less than two years. In this way, the IAEA pointed out the integrity of our nuclear policy and our principled stand. Also, many countries that attended the IAEA Board of Governors meeting in June welcomed the fact that we have sincerely fulfilled our duties under the Nuclear Nonproliferation Treaty.

Nevertheless, the South Korean rulers are making commotions involving so-called doubts about our nuclear weapons and viciously trying to make what is true seem false. This is unforgivable.

Following the instructions of their U.S. imperialist masters, the South Korean rulers are making nuclear commotions in an attempt to nullify the North-South agreement and the joint denuclearization declaration and to block the exchange of elderly parents' visiting groups and art troupes, which has become the order of the day.

When the North-South agreement and the joint denuclearization declaration were adopted, the U.S. imperialists, saying that the adoption of those documents was premature, asked the South Korean authorities to postpone their implementation. They also frequently flew to South Korea to put pressure on their running dogs.

The U.S. ambassador to the United Nations sneaked into South Korea, babbled about so-called cooperation and assistance, and talked about the nuclear issue in one way or another. This is no coincidence.

No sooner had it signed the North-South agreement and the joint denuclearization declaration than the South Korean rulers, following the U.S. imperialists' instructions, deliberately began to try to delay or avoid their implementation. Also, when a plan to exchange elderly parents' visiting groups became the order of the day, they began to make nuclear commotions, thus building artificial obstacles to the exchange plan.

The South Korean rulers are trying to resolve an issue—that they must resolve with their fellow countrymen—with their U.S. masters and frantically making nuclear commotions. This will more clearly reveal their dirty colors as the U.S. imperialists' loyal running dogs and vicious antireunification elements.

The South Korean rulers must act with discretion, knowing clearly that if they use doubts about nuclear weapons as a pretext, which cannot convince anyone, to block the implementation of the North-South agreement and the joint denuclearization declaration and the exchange of elderly parents' visiting groups, they will commit an unforgivable crime against all the fellow countrymen and will be seen as an enemy of reunification and the nation. The South Korean rulers must immediately stop making commotions over doubts about nuclear weapons and embark upon the road toward national reconciliation and unity to comply with the whole nation's aspirations and desire. We will keep watching the South side's attitude.

'Open Questionnaire' Sent to U.S. Ambassador

SK0508052492 Pyongyang KCNA in English 0435 GMT 5 Aug 92

[Text] Pyongyang, August 5 (KCNA)—The Coalition for Democracy and National Reunification in South Korea (CHONGUK YONHAP) on May 11 sent to the U.S. ambassador to South Korea an open questionnaire outlining its anti-U.S. stand.

Referring to the role of the United States in the implementation of the North-South agreement and its practices, the questionnaire said that the United States has been interfering with the North-South relations through various channels since the publication of the agreement, asking: Isn't such act a plain interference in the internal affairs?

When the North is bending efforts to end its hostile relations with the United States, the latter is evading the improvement of relations, setting new conditions such as "stop to export of missile technology" and "improvement of human rights conditions" these days, the questionnaire said, and asked: Is it not unwise for the United States to evade the improvement of relations with the North any longer?

It urged the United States to sign a peace agreement.

We, it said, think that if the United States has the intention to sign a peace agreement, it will be concluded in a certain form. Has the United States no intention to sign a peace agreement?

It demanded the withdrawal of the U.S. forces from the Korean peninsula.

It raised the following question: Isn't it reasonable for the United States to declare the withdrawal of its forces and set out a concrete timetable of the withdrawal, keenly conscious of its responsibility at the moment when the North and the South are promoting the dialogue on disarmament?

Declaring that the conversion of the Korean peninsula into a denuclearised zone is a guarantee for the existence of the Korean nation, it asked if the United States felt the need to make public details of the nuclear weapons deployed in South Korea and have the complete withdrawal of the nuclear weapons verified for the observation of the North-South joint declaration on denuclearisation.

The questionnaire asked:

Is it the stand of the U.S. Government to maintain the policy of heightening tensions such as the call for air raids on the North, though the North has neither manufactured nuclear weapons nor nuclear facilities confirmed to be for military use and it continues to undergo nuclear inspection by the IAEA [International Atomic Energy Agency]?

Besides, the questionnaire urged the United States to clarify its involvement in the May 18 Kwangju massacre, the "June 29 declaration", the founding of the "Democratic Liberal Party" and the assassination of Kim Ku. It also demanded that the United States answer the question of a prompt compensation for the damages inflicted on the Korean residents in the United States by the black riot in Los Angeles.

U.S.-South 6-7 Aug Military Excercises Noted

SK0908092192 Pyongyang KCNA in English 0829 GMT 9 Aug 92

[Text] Pyongyang, August 9 (KCNA)—The U.S. imperialist aggressors and the South Korean puppets staged provocative joint air war exercises against the North on August 6 and 7, according to military sources.

The two-day exercises staged in the skies above Oeyon and Anmyon Islands, Phyongchang and Wonju areas in South Korea according to the war scenario written by the U.S. Pacific Airforce and Navy commands were a dangerous war gamble intended to increase capabilities of bombing for an intensive strike at strategic targets in the northern half of Korea and ground firing.

Mobilized there were more than 450 warplanes including fighter planes based in Japan proper and the Pacific and fighter-bombers, assault planes, observation planes and armed helicopters belonging to the U.S. Airforce present in South Korea and the puppet airforce.

The U.S. imperialists let fly a U-2 high-altitude strategic reconnaissance plane on August 6 and 7 and six reconnaissance planes of various types including RV-1 army tactical reconnaissance plane on August 7 to commit an all-round air espionage on the regions and the coastal and frontline areas of the northern half of Korea.

A group of combatant ships of the South Korean puppet army staged a naval warfare exercise and a coastal blocking operation exercise for gaining supremacy on the sea off Kunsan in the West Sea on August 6 and 7. Another group of combatant ships of the puppet army massed on the sea off Samchok in the East Sea on August 7 was hell bent on a naval attack exercise and a landing operation exercise with the support of fighter-bombers and assault planes such as F-4, F-5 and A-37.

A total of more than 1,250 warplanes and some 260 naval warships were mobilized in the war exercises again so the northern half of Korea held in South Korea on August 6 and 7.

Revision of Focus Lens Termed 'Poor Excuse'

SK0808063692 Pyongyang KCNA in English 0430 GMT 8 Aug 92

[Text] Pyongyang, August 8 (KCNA)—The South Korean authorities made a revised announcement that the South Korea-U.S. Focus Lens joint military training slated for August 19-30 is not a field exercise but a "staff exercise," the South Korean paper CHUNGANG DAILY August 4 reported.

This is a poor excuse of those under fire at home and abroad and a third-rate trick to conceal the criminal nature of the Focus Lens.

While making the revised announcement, South Korean authorities did not deny that sophisticated weapons mobilized in the Gulf war would be shipped into South Korea soon and only uttered the incoherent words that they were expected to be introduced for the "building of an air defence network."

The United States and the South Korean authorities must give up the clumsy trick to fool public opinion and unconditionally cancel the planned Focus Lens joint military training.

Paper Says Yi In-mo Taken by ROK Police

SK1008074992 Pyongyang KCNA in English 0552 GMT 10 Aug 92

["Cursed Outrage"—KCNA headline]

[Text] Pyongyang, August 10 (KCNA)—NODONG SINMUN Monday [10 August] comments on the missing of old Yi In-mo, a former war correspodent of the Korean People's Army, who had been under detention in South Korea.

This is another act of persecution of the South Korean authorities against Yi who is longing so intensely for his home and waiting anxiously for the day of his reunion with his wife and daughter and a malicious challenge to the entire compatriots and world progressives who are demanding his repatriation, it says.

The analyst notes:

According to reports from South Korea, ten-odd operatives of the "Security Planning Board" [SPB] and policemen were constantly posted before the house where Yi lives, secluding him from the outside world, and even the telephone was cut off. So, it is perfectly clear that he was whisked off by the "SPB" men or prosecuting and police offcers.

When the exchange of old parents' visiting group and art troupes which is directly linked to his repatriation was facing the danger of failure due to their perfidy, the South Korean authorities, bent on driving it to abortion at any cost, took away old Yi and locked him up in an isolated place, thus threatening his life. This is a deliberate and premediated provocation to the North which is making all sincere efforts to create favorable condition for natonal reconciliation and unity by bringing the exchange of old parents' visting groups and art troupes to a success. The South Korean authorities would have to bear full resposibility for all the consequences, should something happen to Yi In-mo. They must promptly stop persecution of old Yi and send him back without delay to the northern half of the country where his family is waiting for him.

South Police Intensify Guard Before Rally

SK0908094592 Pyongyang KCNA in English 0814 GMT 9 Aug 92

[Text] Pyongyang, August 9 (KCNA)—The National Police Office of South Korea ordered the provincial and city police offices to intensify guard on U.S. military facilities in South Korea and major facilities including the building of the "Democratic Liberal Party" in connection with the pan-national rally, a radio report from Seoul said.

The National Police Office took this repressive measure, claiming that there are high possibility of student activists raiding U.S. military facilities and others during the grand cross-country march and the pan-national rally because one of the slogans of the upcoming pan-national rally is "Withdrawal of U.S. troops and opposition to the Democratic Liberal Party."

Accused of Blocking Rally

*SK1008054092 Pyongyang KCNA in English
0501 GMT 10 Aug 92*

[Text] Pyongyang, August 10 (KCNA)—Above 1,000 members of the Reunification Vanguard, which consists of students affiliated with the National Council of Student Representatives of South Korea, held a demonstration around Mokwon College Sunday [9 August].

The protest was launched after a rally to vow to bring the pan-national rally to a success, scheduled in plaza of Taejon railway station, had been checked by police.

The students, who arrived in Taejon after making a tour of Pusan, Taegu, Kwangju and other areas, stubbornly fought, accusing the police of blocking their planned rally for reunification.

The authorities let loose riot police 3,000 strong around the Mokwon College and Taejon railway station to suppress the students.

'Grand March' for Reunification Begins

*SK0908115792 Pyongyang KCNA in English
1051 GMT 9 Aug 92*

[Text] Pyongyang, August 9 (KCNA)—A starting ceremony of Mt. Paektu-Mt. Halla grand march for the promotion of the national reunification was held today atop Mt. Paektu in Yanggang Province situated in the northeastern part of Korea.

The Mt. Paektu-Mt. Halla grand march in which Koreans in the North, the South and abroad cross the territory of the country in unity is a grand march of the nation for reunification which powerfully demonstrates at home and abroad the stamina and firm will of our fellow countrymen to achieve reunification in the 90s.

Participating in the starting ceremony were Yun Ki-pok, chairman of the North side's headquarters of the National Alliance for the Country's Reunification (Pomminnyon), delegates of the North side to the third pan-national rally and the second grand reunification festival of students, delegates of overseas Koreans, and working people and youth and students in Yanggang Province.

Yim Min-sik, secretary general of pomminryon, declared the start from Mt. Paektu of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification, saying we will demonstrate again at home and abroad the indomitable will of our nation that pledged to make the year 1995 the first year of reunification through the grand march for reunification.

Then, the flag of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification was awarded to the squad.

Delegates of the North and overseas headquarters of Pomminnyon and youth and students made speeches at the ceremony.

The squad of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunificatioin marched down Mt. Paektu, chanting "Korea is one", "National reunification", "Let all of us gather in the place of the pan-national rally, a reunification plaza of the whole nation" and other slogans.

Yun Ki-pok Addresses Ceremony

*SK1008113292 Pyongyang KCNA in English
0537 GMT 10 Aug 92*

[Text] Samjiyon, August 9 [date as received] (KCNA)—A starting ceremoy of the Mt Paektu-Mt. Halla grand march for the promotion of the national reunification was held today atop Mt. Paektu in Yanggang Province situated in the northern part of Korea.

The Mt. Paektu-Mt. Halla grand march starting under the banner of independence, peaceful reunification and great national unity in new circumstances after the adoption and the effectuation of the agreement between the North and the South is a nationwide event for reunification in which Koreans of all walks of life at home and abroad gather and cross the country.

Participating in the starting ceremony were Chairman Yun Ki-pok and vice-chairmen of the North side's headquarters of the National Alliance for the Country's Reunification (Pomminnyon), Mun Kyong- ok, chairman of the Korean Students Committee, presidents and rectors of universities and colleges, delegates of the North side to the third pan-national rally and the second grand reunification festival of students, and working people and youth and students in Yanggang Province

Also present there were Yim Min-sik, seretary general of Pomminnyon, So Man-sul, chairman of the headquarters of Koreans in Japan of Pomminnyon, Yang Tong-min, chairman of the Japan regional headquarters of Pomminnyon, Yang Yon-tong, chairman of the headquarters of Koreans in China of Pomminnyon, Yang Un-sik, permanent chairmen of the American regional headquarters of Pomminnyon, Cho Ki-hwan, acting chairman of the European regional headquarters of Pomminnyon, Om Kyong-sim, vice-chairman of the Commonwealth of Independent States regional headquarters of Pomminnyon, Kang Won-chin, chairman of the Canadian regional headquarters of Pomminnyon, An Chong-su, chairman of the Australian regional headquarters of Pomminnyon, Pak Ku-ho, chairman of the League of Korean Youth in Japan, Kim Chan-o, chairman of the League of South Korean Youth in Japan and other overseas Korean delegates.

Yim Min-sik, declaring the start of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification, said we will demonstrate once again at home and abroad the indomitable will of our nation to greet the year 1995 as the first year of reunification through the grand march for reunification.

The flag of Pomminnyon together with that of the march squad will always flutter vigorously in the van of the march squads which started from Mt. Paektu and Mt. Halla at the same time and will meet in Panmunjom at any cost, he noted.

Delegates to the North and overseas headquarters of Pomminnyon and youth and students made speeches at the ceremony.

Yun Ki-pok said now, three years to go till reunification of '95, is the high time for the whole nation to vigorousy conduct a nationwide reunification movement, closely rallied under the flag of Pomminnyon. He called on the whole nation to devote body and soul and actively turn out in the grand march for reunification, the cherished desire of the nation.

So Man-sul said however desperately the U.S. imperialists and the South Korean authorities may try to block the reunification movement, they can never break the fellow countrymen's will to achieve antional reunification at any cost.

He called for vigorously promoting the grand march for reunification and bringing to success the pan-national rally and the formation of the national alliance of students for the country's reunification (Pomchonghaknyon) and thus marking a new milestone for national reunification.

Mun Kyong-tok appealed to hot-blooded young people to fight more vigorously by their concerned wisdom and efforts in the van of the reunification movement to bring earlier the historical day when all they will shout hurrah of reunification.

Yang Yong-tong said the South Korean authorities, clinging to the coattails of outside forces, are laying big obstacles in the way of accomplishing the cause of national reunification and doggedly blocking the third pan-national rally. This is an intolerable mockery of the desire of the entire fellow countrymen for reunification and an unpardonable challenge to the reunification march of the whole nation toward reconciliation and unity, he remarked.

Calling upon all the compatriots in the North, the South and overseas to go all out for the reunification of the country with one mind and by concerted efforts, Kim Chang-o said the destination of the march is not Panmunjom and the march squad must, therefore, march toward Mt. Halla across Panmunjom.

The flag of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification was awarded to the squad at the ceremony. After the ceremony, the squad of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification marched down Mt. Paektu toward the place of the grand festival of reunification at which 70 million fellow countrymen would hug each other and shout in a high tone the hurrah of reunification.

Putting ahead the flag reading "Mt. Paektu-Mt. Halla grand march for promotion of national reunification" and placards reading "Korea is one " and "National reunification", the squad shouted "let us make the 1990s a decade of reunification ", "let all of us gather in the place of the pan-national rally, a reunification plaza of the whole nation" and "let us inaugurate 'Pomchonghaknyon' and accelerate national reunification " and other slogans.

Meanwhile, the squad dropped in at the secret camp in Mt. Paektu, the sacred mountain of revolution, Sunday [9 August] afternoon.

Church Representatives Support March

SK1008061892 Pyongyang KCNA in English 0524 GMT 10 Aug 92

[Text] Pyongyang, August 10 (KCNA)—The world common day of prayer for peace and reunification of Korea was held at the Pongsu Church here on Sunday [9 August].

It was the fourth prayer since a meeting of church delegates from North and South of Korea and different countries of the world held in Switzerland in November 1988 adopted "Declaration on Peace and the Reunification of Korea" and set the Sunday right before August 15 each year as a common day of prayer for peace and reunification of Korea.

Attending the prayer were Rev. Kang Yong-sop, chairman, and Rev. Ko Ki-chun, secretary general, and the officials of the C.C. [Central Committee], the Korean Christians Federation Officials of the Federation in Pyongyang, Christians in Pyongyang and overseas Korean Christians.

Yi Song-pong, chief pastor of the Pongsu church, preached a sermon.

Great national unity is a fundamental condition for national reunificationn he said, and called on all Christians at home and abroad to contribute to achieving great national unity with love and reconciliation and fully display their patriotism and loyalty in the accomplishment of the noble cause of national reunification. All Christians in the North, South and overseas should actively join in the activities of the national alliance for the country's reunification, hasten the grand march for reunfication and lift up voices for the faithful implementation of the inter-Korean agreement, he stressed.

At present we will ardently pray for fine fruits of the upcoming third pan-national rally for national reunificaton, various festivities and grand marches for reunification in the North and South, he stated.

Then a prayer was read on the basis of the "Text of 1992 North-South Common Prayer for Peace and Reunification" which was agreed upon between Christian delegates of the North and South in Pyongyang last January.

The prayer ended with the congratulatory address of Rev. Kang Yong-sop and all the participants rose to their feet and earnestly and warmly sang the song "Our Wish Is Reunification" hand in hand. The Sunday was also observed at some 500 family prayer centers across the northern half of Korea.

Yon Hyong-muk Addresses Farm Meeting

SK0708130992 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 29 Jul 92

[Congratulatory message from the Workers Party of Korea Central Committee read by Yon Hyong-muk, premier of the State Administration Council, to the party members and working people of the Taehongdan County general farm in Taehongdan County, Yanggang Province; date not given—recorded]

[Text] The Workers Party of Korea [WPK] Central Committee sends warm congratulations to all workers, technicians, [word indistinct], and three revolutions team members of the Taehongdan County general farm on the 40th anniversary of its founding. [applause]

The great leader Comrade Kim Il-song, with a grand plan to develop the land of Mt. Paektu to [words indistinct], founded the Taehongdan general farm on 30 July (?1952) during the period of the stern Great Fatherland Liberation War and wisely led the work of the general farm at every stage of the revolution and construction.

The party members and working people of the Taehongdan County general farm, with great pride in living and working in the historic land with the glorious revolutionary historic relics of the party and the leader, have traversed the rewarding road of building socialist rural areas. Excellently carrying out their revolutionary task, they developed the farm into a (?modern) general farm managing and operating agriculture, industry, (?cultural, and public health) work in a unified manner.

The functionaries and employees of the county general farm, devoting themselves to the thorough implementation of the party's agricultural policy, built the farm, overcoming all sorts of adversities during the days of the war. Since that time until now, they have waged a (?resolute) struggle to conquer nature, firmly providing the production bases for farm produce and livestock, including over 10,000 (?pyong) of fields, over 3,000 (?pyong) of wind-screening woods, and [words indistinct]. At the same time, they have made great progress in modernizing and generalizing the agriculture of remote areas.

With the revolutionary spirit of self-reliance and working hard, the party members and working people of the general farm built small and medium-size power stations in many places and smoothly met the demands of the county for electricity for themselves. Solving the problem of freight hauling by laying railways and (?roads), they developed the local [word indistinct]. Building many educational, cultural and welfare facilities and modern housing units, they gave new features to the county and achieved great success in enhancing the living standard of the (?residents).

The [word indistinct] general farm, giving priority to the ideological revolution, armed the party members and working people firmly with our party's chuche idea and continuously imbued them with revolution-mindedness and working class-mindedness to raise them to be revolutionary fighters loyal to the party and the leader and to resolutely defend and implement the party's policy.

The county general farm correctly implemented the independent economic accounting system for each county given by the party. It linked production, distribution, and consumption in a planned manner. By so doing, the general farm created a valuable experience of well managing the county's economy and enhancing the county's role as a regional home base.

The functionaries and employees of the Taehongdan County general farm, through the practical struggle for implementing the party's policy, clearly demonstrated the justness and superiority of our party's chuche-oriented line for building rural areas capable of brilliantly solving the problems in socialist rural areas by reducing the gap between the urban and rural areas and developing the lives of the [words indistinct] uniformly.

The WPK Central Committee highly appraises the great achievements attained in the socialist rural construction by the party members and workers of the Taehongdan County general farm in the past 40 years by cherishing ardent loyalty to the party and the leader. [applause]

The great leader Comrade Kim Il-song has taught: The Taehongdan County general farm should carry out all sorts of farming, from sowing to harvesting.

Functionaries and employees in Taehongdan County general farm should tenaciously struggle to effect constant upsurges in the farm work in firm unity with the party and the leader by upholding the revolutionary slogan, "Let us further glorify the popular mass-centered socialism of our own style!"

Party members and workers of the farm should more thoroughly arm themselves with the chuche idea and think and act only according to the party's intent anywhere and at all times. They should tenaciously fight for victory of the chuche revolutionary cause by following the party's leadership under any circumstance.

By vigorously waging land improvement work and [word indistinct], the Taehongdan County general farm should carry out comprehensive mechanization and chemicalization of agricultural production to epochally increase agricultural products. They should produce more livestock products by effectively utilizing the existing livestock production bases. At the same time, they should build more small and medium-size power stations and firm fertilizer bases. They should produce various kinds of high quality consumer goods in large quantities by developing local industries. By vigorously pushing ahead with the work of building cultural and welfare facilities, as well as houses, they should bring the Taehongdan County general farm into full bloom to be a paradise for the people.

By cherishing the sense of being (?servants) of the people, functionaries of the general farm should carry out all work in compliance with the party's intention and demand. By embodying the Taean work system, they should further improve the management work and operation of the farm.

The WPK Central Committee firmly believes that the workers, technicians, office workers, and three revolutions team members of the Taehongdan County general farm will achieve greater success in socialist rural construction by upholding the party's leadership and will thus excellently meet the party's trust and expectations. [applause]

The WPK Central Committee. [applause and shouts of hurrah!]

South Korean Family Defects to DPRK

SK0908084192 Pyongyang KCNA in English 0819 GMT 9 Aug 92

[Text] Pyongyang, August 9 (KCNA)—Pak Se-chin, 31, who lived in Songpo-tong, Ansan City, Kyonggi Province of South Korea, came over to the northern half of Korea together with his wife Han Sun-ye, 28, and his one year old daughter Pak Su-pin.

Born in Muntang-tong, Kimchon City, North Kyongsang Province, he finished primary and middle school courses and graduated from a high school in Kyongchu before working as a clerk at a stall in Puchon City, Kyonggi Province, from 1984. He worked at Achu and Hwasan construction companies in Seoul from November 1987 till his defection.

Explaining the motive of his coming over to the North, he said he learned on several occasions that the North is a bright society of independence and equality and he became attracted to the North and wanted to live there.

The South is a corrupt and ailing society where the gap between the rich and the poor is widening, a living hell hard to live for the working people in particular, he said.

Party Political Role Over Economic Work Urged

SK0808110092 Pyongyang KCNA in English 1034 GMT 8 Aug 92

["Party's Political Leadership Over Economic Work is Intrinsic Requirement of Socialism"—KCNA headline]

[Text] Pyongyang, August 8 (KCNA)—What is important in constantly and rapidly accelerating socialist economic construction and bringing the essential advantage of socialism into full play is to strengthen the party's political leadership over the economic work, stresses NODONG SINMUN in a by-lined article today.

The political leadership of the party is a basic guarantee for giving full scope to the creativity of the popular masses in economic activities and an indispensable requisite to the application of the socialist method in socialist economic construction, the paper notes, and continues:

The essence of the party's political leadership is to guide the revolutionary struggle and the constructive work politically and guide them by getting people on the move through political work.

Only when the party's political leadership is definitely guaranteed can all the people who take part in economic activities be firmly armed with the economic policy of the party and be rallied closely around the party and the leader and socialist economic construction be pushed ahead by bringing their creativity and wisdom into fullest play.

The party's political leadership is also a basic way of managing socialist economy in conformity with the will and demand of the popular masses. It enables the economic organs and enterprises to manage the economy in keeping with the will and demand of the masses of the people.

When the party's line and policy are thoroughly defended and implemented at all economic organs and enterprises through the strengthening of the party's political leadership, the economy will be managed and run in conformity with the demand and interests of the popular masses.

And the party's political leadership is an indispensable requisite to the maintenance of the socialist principle and application of the socialist method in socialist economic construction.

To firmly ensure the political leadership of the party is an important requirement for thoroughly overcoming the capitalist elements in economic construction, firmly adhering to the socialist economic system based on collectivism and constantly consolidating and developing it. This is because all the questions arising in socialist construction are solved on the principle of displaying the advantages of socialism based on the socialist principles and by the method of enlisting the inexhaustible creativity of the popular masses, the driving forces of the revolution, only under the political leadership of the party.

Our party has created the chuche-based, original taean work system and strictly applied it to strengthen the party's political leadership over socialist economic construction, the paper stresses.

South Ruling Party Accused 'Anti-People Crimes'

SK0608233492 Pyongyang KCNA in English 1019 GMT 6 Aug 9

[Text] Pyongyang, August 6 (KCNA)—The 14th "National Assembly" of South Korea which was inaugurated on May 30 has been completely paralysed for two months owing to the strong protest of the opposition parties, according to reports from Seoul.

The opposition Democratic Party and National Party [as received], from before the 14th "National Assembly" was inaugurated, strongly protested the illegal and unjustifiable act of the No Tae-u "regime" and the "Democratic Liberal Party" in deciding to postpone the elections of the chiefs of local autonomous bodies and warned that they would not take part in the activities of the "National Assembly" unless this decision was revoked.

The "Democratic Liberal Party" threatened that, if the opposition parties persistently refused to appear at the "National Assembly", it would unilaterally form the "committees" and deal with the "motions" and "bills" all by itself.

But the opposition parties warned that, if the "Democratic Liberal Party" attempted to form the "committees" or carry the "bills" in a burglarious way at the exclusive "National Assembly" session, they would check it by force and are keeping their "National Assemblymen" on the alert.

The "Democratic Liberal Party" tried to save the face of the unilaterally called extraordinary session of the "National Assembly" by inveigling the independent "lawmakers" into it, but in vain.

Reporting about the the 158th extraordinary session of the "National Assembly", CBS [Christian Broadcasting System] said that "it was virtually a meeting of assemblymen of the Democratic Liberal Party, even the independent lawmakers boycotting it."

Never before has there been such precedent that a newly "elected" National Assembly failed to operate or to form its "committees" for two months or more.

This is a natural result of all manner of anti-national, anti-people crimes committed by the ruling "Democratic Liberal Party".

South Korea

North Blamed for Failed Family Reunion

SK0808043092 Seoul KBS-1 Radio Network in Korean 0200 GMT 8 Aug 92

[Text] ROK Red Cross Society President Kang Yong-hun released a statement today expressing regret over the results of the eighth North-South Red Cross working-level contact. The two sides failed to agree on the exchange of visits of separated family members and elderly parents.

In his statement, Kang Yong-hun said: The North side demanded that the South side officially announce that it would not link the nuclear issue to the implementation of the North-South agreement. It also demanded that the South side stop conducting the Focus Lens military exercise. These conditions for family reunions presented by the North are a clear violation of the humanitarian Red Cross spirit.

Failure of Inter-Korean Red Cross Talks Viewed

SK0908015492 Seoul THE KOREA HERALD in English 9 Aug 92 p 6

[Editorial: "Frustrated Family Reunions"]

[Text] The failure of the latest inter-Korea Red Cross talks to realize the much-awaited cross-border home visits and exchange of art troupes, scheduled for late this month, once again brought a deep sense of dismay and frustration to the tens of millions of Koreans on both sides of the border. Indeed, they are one in wishing for the family reunions, even though they are physically and ideologically separated as a result of the partition of the peninsula.

The reunion of dispersed family members has a unique meaning for the Korean people because of the homogeneity that has bound them together for centuries. Expanding the opportunities for more Koreans to visit their hometowns on the other side of the DMZ, therefore, should prove to be one of the surest ways to ease the distrust accumulated in both halves. How best to help alleviate the human anguish of family separation has always been a priority of the Seoul government as well as the South Korean Red Cross Society.

It is from this humanitarian perspective that the South Korean negotiators have pursued their latest working-level contacts with their North Korean counterparts, often making concessions even to the seemingly impossible proposals of Pyongyang. But, the North Korean side came up with a totally unreasonable proposal which blocked the progress of the talks. The North doggedly stuck to its preconditions that the South repatriate a Communist partisan who refuses to give up his ideological loyalty to Pyongyang, and cease the U.S.-South

Korea military exercise, "Focus Lens." It also demanded that Seoul not take issue with the North Korean nuclear development program.

In hindsight, we cannot shake off the sneaking suspicion that the northerners came to the Panmunjom meetings half-heartedly from the very beginning just for the sake of saving face in the eyes of the world. Our dismay at this time is very great as we have taken so much pain to resume the inter-Korean Red Cross talks for family reunion. Despite past experiences, we were tempted to expect a new tone in the resumed talks, free from past gimmickry on Pyongyang's side.

North Korea has once again betrayed the ardent wishes and hopes of our people for family reunion which would be greatly instrumental in reducing inter-Korean tension and opening up a new vista for the much talked-about South-North economic cooperation. We will, of course, continue to be patient and committed to carrying out the scheduled exchange visits. However, our resolve cannot but be eroded unless North Korea reciprocates our positive intentions in good faith. The humanitarian imperative and the order of time dictate that they do so.

ROK To Go Ahead With Pyongyang High-Level Talks

SK0808030192 Seoul HANGUK ILBO in Korean 8 Aug 92 p 1

[Text] The North asked the South to stop bringing up the nuclear issue on 7 August [at the North-South Red Cross contact]. Therefore, the ROK Government has determined that the North-South family reunion project has virtually failed. It has also decided to examine a plan to withhold for an extended period the visit to North Korea by a working-level team, which had been scheduled for some time this month, to explore the feasibility of building an industrial complex in Nampo.

The government has also decided to have Red Cross Society President Kang Yong-hun release a statement expressing strong regrets to the North side about the failed family reunion project and providing details of the North-South negotiations to the people.

The government has also decided to reexamine the South side's strategy at North-South negotiations on adopting supplementary agreements at the three subcommittees of the North-South high-level talks. It has also decided to examine a plan to link family reunions to the adoption of the supplementary agreements.

These issues were discussed at a meeting of officials related to the North-South Exchange and Cooperation Subcommittee at the Secretariat of North-South Dialogue in Samchong-tong on the afternoon of 7 August. Prime Minister Chong Won-sik will soon preside over a meeting of cabinet ministers to decide on the ROK Government's final positions.

However, the government is planning to attend the eighth North-South high-level talks scheduled for 15 September in Pyongyang.

In connection with this, a high-ranking government official said on 7 August: The family reunion scheduled for August has failed because, contrary to its previous promise, the North side has presented preconditions for family reunions and consistently been insincere in the eight rounds of negotiations. Because North Korea has violated the agreements reached at the North-South high-level talks, we have no alternative but to take counter-measures.

North's Request for Nuclear Technology Rejected

SK0908090592 Seoul YONHAP in English 0854 GMT 9 Aug 92

[Text] Seoul, Aug. 9 (YONHAP)—The government refused the North's demand that South Korea transfer technologies on the light water reactor to the North in return for Pyongyang's abandoning the construction of nuclear recycling facilities, a government official said Sunday [9 August].

The North informed of the trade when North Korean Deputy Premier Kim Tal-hyon visited Seoul July 19-25 but the government judged that it was too early to accept the proposal under the circumstance that inter-Korean nuclear inspection was not accomplished, the official said.

"The North still refuses inter-Korean nuclear inspection even though it requires the South's technical support on automic power," he said.

The government will not consider the transfer of any nuclear technologies on the light water reactor until the North accepts the inter-Korean nuke inspection and shows more sincerity on the exchange of dispersed families, he added.

Koreas Agree on Auxiliary Agreement Clauses

SK1008100792 Seoul YONHAP in English 0951 GMT 10 Aug 92

[Text] Seoul, Aug. 10 (YONHAP)—South and North Korean officials met at Panmunjom Monday [10 August] on the proposed auxiliary agreement on exchanges and cooperation, agreeing on the wording of the 16 articles of its Chapter One, "Economic Exchanges and Cooperation."

The meeting was a contact between members of the Exchanges and Cooperation Subcommittee of the South-North prime ministers' meeting held at the conference room of the Neutral Nations Supervisory Commission.

The agreed-on clauses included those on guaranteeing of free economic activities and conveniences for the other side's people engaged in economic activities in one's area: protection of the other side's patent and trade mark rights: linking of railways and roads: and promotion of measures to jointly advance to abroad in the economic area.

The two sides decided to have another members contact on Aug. 21 to continue discussion on those clauses on which they differed, such as the issue of whether government authorities' permission would be needed in engaging in exchange or cooperation projects.

An official at the Office of South-North Dialogue said that at Monday's contact, the South, while expressing regret over the de facto cancellation of the projected exchange of hometown visitors, asked the North to withdraw the prerequisites they attached to the exchange so that the humanitarian project could be realized forthwith.

But, the North simply reiterated their previous insistence that there could be no exchange of family visitors unless their three-point prerequisites were met first, the three preconditions being the suspension of nuclear-related demand, repatriation of Yi In-mo and suspension of the joint Korea-U.S. "Focus Lens" military exercise, according to the official.

Inter-Korean Relations Returning to 'Icy State'

SK0908014792 Seoul THE KOREA TIMES in English 9 Aug 92 p 2

[By staff reporter Sin Hak-nim]

[Text] The aborted plan on the exchange of visits by dispersed families between South and North Korea slated for late this month proved once again that an inter-Korean agreement, whatever form it may be, is very fragile.

Affected by the virtually-broken earlier agreement, inter-Korean relations are showing signs of returning to an icy state.

As the North unilaterally scuttled the agreement on exchange of visits by senior citizens, a sort of quid pro quo is expected from the South Korean government.

In that vein, voices are high in the government circles that the South, in return, should shelve all plans for exchanges with the North, human and materials. The immediate concern is the planned visit to Pyongyang by Deputy Premier-Economic Planning Minister Choe Kak-kyu in return for a week-long visit by his northern counterpart Kim Tal-hyon to the South last month.

Another question is whether the government will allow local businesses to dispatch a task force to conduct a feasibility study on a joint venture in the port city of Nampo adjacent to Pyongyang.

Government officials and North Korea watchers are carefully studying the North Korean intentions behind its unilateral decision to abort the plan on exchange of visits, the first humanitarian project in celebration of the entry into force of the inter-Korean agreement on reconciliation, nonaggression, exchanges and cooperation.

Ranking government officials said that the government will decide how to do [as published] in response to the North action after watching further moves from the North regarding various inter-Korean dialogue.

During the preparatory talks for the exchange of visits at the border village of Panmunjom Friday [7 August], North Korea attached several preconditions to it, thus making it impossible for the program to take place on Aug. 25-28 as earlier agreed upon.

The North Korean demands include the South's suspension of linking the issue of Pyongyang's nuclear weapons development to inter-Korean exchanges, release of an aged defiant Communist, Yi In-mo, and cancellation of this year's Korea-U.S. command post exercise, "Focus Lens." The Defense Ministry has not made an official announcement on the plan yet.

The North's assertion is a clear breach of its earlier promise not to attach any preconditions to the exchange of visits by dispersed families on the occasion of the Aug. 15 anniversary of national liberation from Japanese colonial rule, during the seventh round of the inter-Korean premiers' talks in Seoul in May.

An Pyong-su, spokesman for the North's delegation to the inter-Korean premiers' talks, had repeatedly told the press at the end of the Seoul talks in May, "We will promote the exchange of visits program without any preconditions."

In accordance with the agreement at the premiers' talks in Seoul, Red Cross officials of the South and North agreed to exchange visits by a group of 240 people, including 100 dispersed families, each in Seoul and Pyongyang this month.

North Korea watchers here say that the North's decision might have stemmed from power jockeying between hardliners and moderates in the North Korean leadership.

"Realizing the limits of their propagandistic policy toward the South, the North Korean leaders may be attempting to buy time to readjust their basic policy toward Seoul," said a ranking Foreign Ministry official, who analyzes North Korean affairs.

Prime Minister Says 'No Change' in North Policy

SK1008085092 Seoul YONHAP in English 0723 GMT 10 Aug 92

[Text] Seoul, Aug. 10 (YONHAP)—South Korean Prime Minister Chong Won-sik said Monday [10 August] that Seoul's policy toward North Korea had not changed despite the breakdown in efforts to arrange reunions of separated families.

"Seoul's policy toward Pyongyang is consistent and there has been no change whatsoever," Chong said in reaction to reports that Seoul shifted toward a harder line after the failure of the talks.

"The dispatch of a South Korean fact-finding delegation for a feasibility study on North Korea's Nampo industrial complex may not be cancelled since it is entirely a preparatory step before the inter-Korean economic cooperation program," he told a meeting of senior officials at the prime minister's office.

As to the visit to the North of South Korean Deputy Premier and Economic Planning Minister Choe Kak-kyu, Chong said, "it is not the time to decide whether to cancel because North Korea hasn't yet sent an invitation."

In a related development, Deputy Premier and Unification Minister Choe Yong-chol told reporters he didn't expect a complete rupture of the inter-Korean exchange program even though it hadn't proceeded on schedule.

"Even if North Korea has scuttled the program by setting three preconditions, including the cancellation of a South Korea-U.S. combined military exercise, Focus Lens, we can expect a change in North Korea's attitude if we meet at least one condition," he said.

"In particular, we will have to keep an eye on the attitude of North Korea once the exercise is over at the end of this month," he added.

He said plans for Deputy Prime Minister Choe Kak-kyu's and Daewoo survey team's visits to the North were still valid since they had been agreed upon by the deputy premiers of the two sides.

The unification minister said that those visits may be discussed in detail through the inter-Korean exchanges-cooperation subcommittee or liaison offices at Panmunjom as soon as a North Korean invitation arrived.

He, however, said that the timing of Choe's and the survey team's visits would be decided in careful consideration of other pending issues such as the family reunion program.

Tough Measures Against North Said Considered

SK1008041492 Seoul CHOSON ILBO in Korean 10 Aug 92 p 1

[Text] It was learned on 9 August that the government is considering tough measures against the North, such as pressuring the North economically, unless North Korea changes its position regarding mutual nuclear inspection and displaced families' home visits by the middle of September,

It is also reported that the government is considering a plan to have this issue dealt with at the UN Security Council in consultation with the United States to implement inspection of North Korean military bases.

A high-ranking government source said: North Korea first proposed the displaced families' home visits at last May's seventh North-South high-level talks. We thought that North Korea made this proposal to ease the mounting pressure on it for mutual inspection. We also thought North Korea would bring about the home visits, but North Korea has prevented the visits. This means that North Korea is determined to reject mutual inspection. This compels us to take tough measures.

The government source said that since the United States is adamant that the North Korean military bases should be inspected, if North Korea rejects this, this issue may well be referred to the United Nations. We think that whether this issue will be referred to the United Nations or not depends on the North Korean position at the eighth North-South high-level talks to be held in Pyongyang beginning 15 September.

The government will discuss possible measures for dealing with the failure of the displaced families' home visits at the preparatory meeting for the eighth North-South high level talks on 11 August. Then the government will issue a statement to the North in the name of Prime Minister Chong Won-sik sternly protesting the North's breaking its promise or they will send a telephone message of similar content to North Korean Premier Yon Hyong-muk.

Meanwhile, the government has decided to withhold discussion on the postponement of Deputy Prime Minister Choe Kak-kyu's and the "Nampo survey team's" North visit until North Korea proposes discussion on the working procedures as it originally proposed.

S-N Dialogue Secretariat's Name To Change

SK0908065692 Seoul KBS-1 Radio Network in Korean 0500 GMT 9 Aug 92

[Text] In preparation for full-dress South-North exchange and cooperation, the government decided to increase the number of people working for the Ministry of the Board of National Unification and to change the name of the Secretariat for South-North Dialogue to the Secretariat for South-North Exchange.

The Ministry of Government Administration presented a restructure plan by the Ministry of the Board of National Unification and submitted it to the Economic Planning Board. The plan calls for establishing two new departments, one in the Secretariat for South-North Dialogue and one in the Bureau of Exchange and Cooperation, and for employing 47 more people in the Ministry of the Board of National Unification. The result will be the ability to deal more actively and effectively with South-North exchange and cooperation, which is expected to increase in conformity with the effectuation of the South-North basic agreement.

It also includes the establishment of two new departments—the No. 2 Exchange Department in charge of exchanges of people between the South and North and the No. 2 Cooperation Department in charge of material exchange and joint venture projects between the South and North—within the Bureau of Exchange and Cooperation.

In addition, the Secretariat for South-North Dialogue will be renamed the Secretariat for South-North Exchange. It will establish two new departments which will be in charge of and support the activities of the three subcommittees in accordance with the South-North basic agreement.

Kim Il-song Reportedly Has 'Mistress', 'Child'

SK1008022392 Seoul YONHAP in English 0150 GMT 10 Aug 92

[Text] Tokyo, Aug. 10 (YONHAP)—North Korea's 80-year-old leader Kim Il-song has a five-year-old daughter from his young mistress spotted recently during her vacation in Sweden, Japanese economic daily SANKEI SHIMBUN reported Sunday [9 August] with a sprawling photograph of the woman and the child.

The woman was identified as Kim Song-chuk and the child as kim baek-yon.

In Seoul Monday, a senior South Korean official said that South Korean authorities already knew that Kim Il-song has a mistress and a daughter from her.

Asked about the possibility of the child being a daughter of Kim Chong-il, Kim Il-song's son and heir-apparent, he denied it saying, "the girl calls Chong-il brother. She is certainly Kim Il-song's daughter."

SANKEI's Stockholm-datelined story said a former dancer named Kim Song-chuk, now 30, gave birth to a girl at a Vienna hospital in May 1987 under special care by North Korean authorities and named the child Paekyon.

An investigation had found the mother and child entered Sweden around July 20 with Kim Song-chuk's 59-year-old mother and three bodyguards. They stayed at the Sheraton Hotel in Stockholm and went shopping before flying to Pyongyang via beijing on Aug. 7, it said.

The existence of Kim Il-song's mistress was a top secret in the North Korean leadership, and revealing it to the outside world was bound to greatly tarnish his image and affect the transfer of power from Kim to his son, the paper said.

The North Korean leader has two sons, Chong-il from his first wife, Kim Chong-suk, and Pyong-il from his second and current wife, Kim Song-ae, who has also given him a daughter, Kyong-hui.

SANKEI described the woman in the photograph with the alleged daughter as skinny and stiff-mannered, but said the five-year-old girl was round-faced and big-eyed, resembling Kim Il-song.

SANKEI, in a separate story filed from Seoul, said observers in South Korea were showing keen interest at the revelation and calling it an example of the North Korean leadership's special privileges denied to ordinary citizens.

Some people might find it hard to believe that Kim Il-song could father a child at the age of 75 but it was not unreasonable given North Korea's dedication to maintaining its leader's health and its research center on longevity, SANKEI reported.

Man Suspected of Working for North Arrested

SK1008115392 Seoul YONHAP in English 1129 GMT 10 Aug 92

[Text] Seoul, Aug. 10 (YONHAP)—The Agency for National Security Planning (ANSP) reported Monday [10 August] that it had arrested a Seoul man who has been working for North Korea after being won over by a pro-Pyongyang organization in Japan.

The suspected agent was identified as Kim Hyo-sop, age 28, previous a construction worker, of Wolkye 2-tong, Nowon-ku, Seoul.

The ANSP said Kim flew to Japan in August last year on a tourist visa and was working at a Tokyo transport company when he was approached and recruited by an agent, Chong Kil-yong, of chosoren [expansion unknown], a pro-Pyongyang Korean residents organization in Japan.

Kim first asked chosoren to arrange his visit to North Korea, but Chong told him to "return home and work as a unification pioneer in preparation for 1995 unification."

Afterwards, he underwent espionage training for some 50 days at a secret base operated by chosoren's Tokyo branch before returning home in last October.

Back in Korea until his arrest on last July 21, Kim had committed various seditious activities, scattering anti-government leaflets and pro-Pyongyang papers and delivering various information in the country to his spy master in Japan.

The ANSP seized from Kim 127 items as evidential materials, which included 40 unused seditious stickers, eight espionage messages and two sets of directives, it said.

DLP Stopped From Selecting Assembly Committees

SK0708105492 Seoul YONHAP in English 0927 GMT 7 Aug 92

[Text] Seoul, Aug. 7 (YONHAP)—The ruling Democratic Liberal Party's [DLP] plan to resume the National Assembly session Friday [7 August] afternoon to select chairmen of Assembly standing committees was foiled by opposition lawmakers.

DLP Executive Chairman Kim Yong-sam and most other ruling party legislators entered the Assembly at 2 P.M., but no session could take place as legislators from the Democratic and Unification National Parties [English name is United People's Party, UPP] bodily prevented Speaker Pak Chun-kyu and Vice Speaker Hwang Nak-chu from entering the chamber to preside over the session.

As he was kept off the floor, Pak called in the floor leaders of the three parties to his chambers and asked for their cooperation in normalizing the Assembly.

No agreement could be made with the DLP insisting on the normalization of parliament first and the opposition parties asked for the ruling camp's pledge to hold local elections within the year.

A joint caucus of the two opposition parties, held earlier in the day at the Assembly, decided that their solons would take joint actions to thwart any attempt by the DLP to run the Assembly unilaterally.

They also decided to introduce a bill to impeach Prime Minister Chong Won-sik and a resolution calling for President No Tae-u to step down.

The ruling party decided to make another try on Saturday on the selection of standing committee chairmen, and if they are thwarted again they will resort to "all available means" next week to get their bills pass through the Assembly.

Assembly Standstill Continues; Parties Adamant

SK0808054492 Seoul THE KOREA HERALD in English 8 Aug 92 p 2

[By staff reporter Kim Chong-chan]

[Text] Lawmakers of the ruling and opposition parties squared off yesterday over the inauguration of the National Assembly's standing committees and a bill calling for delaying the local elections until 1995.

The showdown came one day after the top leaders of the three major parties failed to find a breakthrough in the deadlock over the timing of the local polls.

Lawmakers of the main opposition Democratic Party [DP] led by Kim Tae-chung were desperate to keep the ruling Democratic Liberal Party lawmakers from opening a plenary session.

The session was to elect the chairmen of several standing committees to examine the controversial local election bill.

The DP lawmakers were posted in and out of the legislative chamber. They tried particularly hard to prevent Speaker Pak Chun-kyu and Vice Speaker Hwang Nak-chu, both ruling party affiliates, from entering the chamber.

Following a caucus of party lawmakers earlier in the day, DP spokesman Chang Suk-hwa urged the government party to accept his party's proposal that either the large-district local elections (in six big cities like Seoul and Pusan and nine provinces) or the small-unit polls (in small cities, counties and wards in the big cities) be held within this year.

The main opposition party earlier demanded that both elections be held within this year.

Opposition parties label the government's decision to postpone the local polls as a plot to rig the presidential election expected in mid-December, while the ruling party insists that "too many elections" this year would ruin the national economy.

Ruling party officials, meanwhile, said that whatever happens, their party would get the local election bill through the legislature during the current extra session which is set to end Aug. 14.

Pak Hui-tae, the majority party's spokesman, told reporters after a meeting of key party officials that they had reaffirmed "our party's position that the local polls should be put off."

The ruling party leadership told its lawmakers not to leave the National Assembly compound until the current legislative session ends.

But yesterday's parliamentary session was adjourned without any action due to the face-off between the rival parties.

The government party may try to get the local election bill through the parliament again today.

Party sources said the ruling party, which now has 159 seats in the 299-member Assembly, may have Speaker Pak invoke his right to refer the bill directly to a plenary session, omitting deliberations at committees.

The opposition United People's Party [UPP] lawmakers were also poised to block the ruling party lawmakers from railroading the bill postponing the local polls.

But the minor opposition party was split over whether its lawmakers should employ "physical means" to bar the ruling party from electing standing committee heads.

The UPP agreed with the main opposition DP to form a joint task force of key party officials to map out cooperation in parliamentary strategies.

As the first step of their offensive against the ruling party, the two opposition parties agreed to make a motion to impeach some cabinet members possibly today. They will also adopt a resolution calling on President No Tae-u to step down.

UPP leader Chong Chu-yong told party officials that he was sure the ruling party would try to operate the Assembly unilaterally.

He blamed the current political impasse on Kim Yong-sam, who he said would not accept compromising opposition proposals during a meeting Thursday.

"We have no intention to return to the Assembly right now," Chong said.

The UPP lawmakers, along with DP legislators, were posted around the Assembly's main chamber to guard against the ruling party lawmakers convening a session.

UPP spokesman Pyon Chong-il said it would be a tragedy for his party to have to resort to physical means, but the party could find itself in a situation where "it can not help it."

DP Determined To Block Local Elections Bill

SK0808054892 Seoul THE KOREA TIMES in English 8 Aug 92 p 2

[Text] The opposition Democratic Party [DP] renewed its determination to do all it can to deter the move of the ruling camp to force through the controversial bill for the deferment of the local elections.

In a caucus at the National Assembly, DP leader Kim Tae-chung said he made a concession by agreeing to cooperate with the operation of the National Assembly if only elections of provincial governors and mayors of special cities excepting the election of chiefs of small administration units are held this year. However, even this was mercilessly snubbed by DLP [Democratic Liberal Party] leader Kim Yong-sam during the tripartite meeting Thursday [6 August].

Now public opinion is "on our side" due to the obstinacy of the DLP leader, he said.

Other lawmakers who took the podium launched a broadside against the DLP leader, portraying him as being as good as the military dictators of the past, claiming that there is no use reasoning with him.

Shoving Match Between DLP, DP Legislators

SK0808083792 Seoul YONHAP in English 0654 GMT 8 Aug 92

[Text] Seoul, Aug. 8 (YONHAP)—A shoving match erupted Saturday [8 August] in the National Assembly as opposition lawmakers blocked the speaker from entering the floor of the parliament.

Twenty hefty bodyguards ringed speaker Pak Chun-kyu as he tried twice to move from his chambers to the floor, but they were pushed back by nearly 100 opposition lawmakers and aides.

Chin Sun-su, an aide to Democratic Party [DP] Rep. Yim Pok-chin, hit ruling party Rep. Cho Chin-hyong when Cho tried to stop Yim entering the speaker's chambers.

Chin later said he did not realize Cho was an assemblymen, but the DLP [Democratic Liberal Party] immediately dismissed the claim as "impossible."

The DLP said it would sue Chin and demanded that all of the DP lawmakers' aides leave the national assembly.

Saturday's melee is a result of a long feud between the DLP, which plans to pass a bill delaying local elections, and the opposition, which refuses to participate in the assembly unless the DLP agrees to hold the elections this year as promised.

The ruling camp reportedly offered to not pass the bill unilaterally if the opposition withdraws its constitutional petition on the election postponement.

The opposition turned down the suggestion.

The DLP is bent on convening the National Assembly by itself and forming assembly committees, and the opposition is staging all-night protests to block it.

The DP said it would continue the protest onto Sunday.

Sources said the DLP may try to circumvent the rules by forming a special committee on local autonomy to handle the election postponement bill instead of going through the required deliberation at the home affairs and judiciary committees.

Kim Yong-sam Refuses To Win by 'Illegal Means'

SK0808045192 Seoul THE KOREA TIMES in English 8 Aug 92 p 2

[Text] Following the failure to break the current political impasse despite the meeting of the leaders of the three political parties, the ruling Democratic Liberal Party [DLP] yesterday renewed its determination to form standing committees and act on the amendment law bill to make legal the government decision to defer elections of mayors and governors.

Party leaders voiced the need for immediate floor action even in the absence of the opposition parties, stressing that they have waited sufficiently long.

The opposition parties have been staying out of the National Assembly, arguing that they will not attend unless there is a guarantee that the local elections are held no later than the presidential election in December at the latest. Under the law, the local elections should have been held by the end of June.

DLP executive chairman Kim Yong-sam said, "I have no intention to become the president resorting to illegal means. I have fought for democracy and fair and clean election throughout my entire political career. I would prefer being a good loser to a bad winner."

In the meeting, the ruling party decided to embark on an aggressive campaign to have the people be informed clearly of why the just formed 14th National Assembly has been crippled since its inauguration on June 29.

Yi Chong-chan Departs From DLP Stance

SK0808072692 Seoul YONHAP in English 0519 GMT 8 Aug 92

[Text] Seoul, Aug. 8 (YONHAP)—Maverick ruling Democratic Liberal Party [DLP] lawmaker Yi Chong-chan urged the DLP Saturday [8 August] to accept a proposal to hold the large-district (six big cities and nine provinces) local elections this year.

"The deplorable confrontation in the National Assembly is the result of bitter squabbling among the political parties over the local elections," Yi told a press conference at his private office in Chongno-ku district in Seoul.

"Under no circumstances can our party shun responsibility for the operation of the legislature and the administration of state affairs... If we attempt to railroad the bill postponing the elections, it will betray the wishes of the people," Yi said.

He said members of his intraparty faction, called "gathering for new politics," would not abide by a decision to pass the bill in any way that was improper.

A bitter opponent of DLP Executive Chairman Kim Yong-sam, Yi is thought to be seeking an excuse to leave the party.

Yi told Kim holding the elections this year was his condition for staying in the party after he dropped out of the contest for the presidential nomination.

Yi's statement came a day after opposition Democratic Party leader Kim Tae-chung proposed in a tripartite meeting with Kim Yong-sam, DLP executive chairman, and Chong Chu-yong, leader of the Unification National Party, that either the large-district local elections or the small-district local elections be held within this year.

Speculation on Daewoo Chief, Politics Continues

SK0708024392 Seoul THE KOREA HERALD in English 7 Aug 92 p 2

[By staff reporter Choe Sang-hun]

[Text] "The world is so wide an expanse with abundant opportunities always open to those who seek, and there are a lot of things to do there." That is how the world appears in the eyes of Kim U-chung, the ambition-driven chairman of the Daewoo conglomerate.

Now add one more thing—that is, politics. In this topsy-turvy election year, the rumor of Kim venturing into politics is hitting the nation hard, in fact so hard that the stock market is reeling and politicians are scrambling for the truth.

Apparently plagued by the rumors that the head of the nation's third largest conglomerate is planning to form a political party, the Seoul composite stock price index tumbled below the vital 500 psychological barrier to hit a nearly five-year record low early this week. Daewoo shares were leading the stock market slide.

The rumors have made Kim the talk of nearly every political gathering this week. The ruling Democratic Liberals reacted to the rumors with disbelief but also appeared suspicious; the opposition parties were voicing raucous warnings against the potential competitor in the coming December presidential election.

Despite all these suspicions and anxieties, however, indications are that Kim will not enter politics, at least for the time being.

A Daewoo spokesman said yesterday that the rumors are "absolutely groundless, and (Kim) has no such plans." The Daewoo chairman was unavailable for comment. He is now visiting the former Soviet republic of Uzbekistan.

Ruling party lawmakers and other observers view Kim's rumored political ambition as unrealistic. They say Kim wouldn't risk his business interests by daring to launch a political party against the will of the government. Because of its relatively flimsy corporate viability, Daewoo cannot afford the kind of shield that protected the Hyundai Business Group from government "harassment" when its chairman and founder, Chong Chu-yong, ventured into politics early this year.

The government has been suspected of using bank loans and tax audits to tame chaebol (giant, family-controlled conglomerates). Tax investigators rained on Hyundai affiliates and creditors freezed new loans for them, following Chong's political bid.

Observers say that Daewoo would not survive the kind of government "harassment" because some of its corporate arms are heavily dependent on government aid and still losing money.

Kim's political ambition might also cost Daewoo the vast business interests that Kim is now actively seeking in the former Soviet Union and North Korea, the observers said. Government cooperation is vital for businessmen to deal with Communist countries. To do so without government permission is illegal.

Kim's case is not the first time that South Korean tycoons, with their personal heroism and taste for the lime light, have tried to enter politics. Hyundai Group founder Chong Chu-yong, a bitter enemy of Kim, did so successfully early this year.

After building the far-flung corporate giant engaged in everything from shipbuilding and auto-production to electronics and petrochemicals, Chong launched a maverick bid for power when he formed his United People's Party in February. Chong's quixotic bid made the establishment politicians squirm as they watched the meteoric rise of the new-born party in the March parliamentary elections with both fascination and fear.

Kim is said to be a politically ambitious businessman. The political success of Chong, if anything, had reportedly prompted Kim to seek his long-cherished ambition more actively.

Kim might have seen a unique chance in this year's election campaigns which revolve around bread-and-butter economic issues and political corruption, observers say.

They say that Kim might have hoped that a candidate, with a successful corporate career and clear-cut agenda to cure the ailing economy, had a chance to tap the deep antiestablishment vein among voters.

In fact, Kim has recently been offering unprecedented criticism against political corruption and bureaucrats that he said have strangled creative business activities.

In May, he supported Rep. Yi Chong-chan's failed bid for the ruling party's presidential nomination. He also announced a plan to cultivate promising politicians.

Kim indicated interest in politics whenever he talked with reporters.

Rumors of Kim's political ambitions have spread since an opposition lawmaker said publicly last Sunday that Kim has been trying to form a party and for this purpose has been meeting a number of former and present lawmakers.

Recently, however, Kim has been devoting himself to developing Daewoo's business interests in Communist countries, after he reportedly helped negotiate a compromise between the rebellious Yi Chong-chan and ruling party presidential candidate Kim Yong-sam.

Kim is said to have given up his political ambition when he persuaded his high-school alumni, Yi Chong-chan, to stay in the ruling party.

And government authorities had reportedly warned the Daewoo Group head to stay out of politics. Kim appears to have paid attention to the warning, judging from the fact that he is now eager to do business with North Korean Communists.

Kim U-chung, Kim Tal-hyon Meet in Uzbekistan

SK0908064492 Seoul CHOSON ILBO in Korean 9 Aug 92 p 1

[Text] A government official confirmed on 8 August that while on a visit to the Uzbekistan Republic, Daewoo Group Chairman Kim U-chung met Kim Tal-hyon, vice premier of the North Korean Administration Council and chairman of the External Economic Committee, on 4 August. This official said that Chairman Kim and Vice Premier Kim agreed to build the Nampo complex jointly; to produce cars, heavy construction equipment, and electric home appliances jointly; and to hire North Korean manpower at Daewoo's construction sites in third countries. He also revealed that they discussed these topics in detail.

It was learned that $500,000 will be put into the Nampo complex project this year to promote the light industrial sector, including shoes and stuffed toys, by companies such as Sinsong Trading, Segye Products Company Incorporated, and Koryo, which are collaborating with Daewoo Group.

They also discussed ways to import car bodies directly or indirectly through a third country such as Hong Kong. These car bodies will be made in North Korea after metal frames for Daewoo cars, such as Lemans and Tico, are sent there.

Vice Premier Kim hoped that automobile parts made by North Korea's Sungni automobile can be put into Daewoo made cars. He also asked that Daewoo transfer its manufacturing technology, such as manufacturing engines, to North Korea.

When Chairman Kim visited North Korea in January, they discussed hiring North Korean workers at Daewoo's construction sites overseas, including the construction of highways in Pakistan. It was also agreed in principle that Daewoo will use North Korean manpower in Africa and other areas with the condition that they are given the same treatment as the South Korean workers, such as receiving round trip airplane tickets, payment during their stay, and hazard pay.

Police Arrest 4 Chondaehyop Student Activists

SK1008091992 Seoul YONHAP in English 0812 GMT 10 Aug 92

[Text] Seoul, Aug. 10 (YONHAP)—Police arrested four core members of Chondaehyop [National Council of University Student Representatives], the largest organization of campus activists in South Korea, after an intense search Monday [10 August] of Chungang and Sungsil Universities in Seoul.

The four are Tae Chae-chun, Chondaehyop president and student president of Seoul National University, Kim Chung-ki, Chondaehyop spokesman and student president of Hanyang University, Yi Sang-hyon, president of the National Unification Committee and student president of Konkuk University, and Kyonghui University student Choe Man-sik, chairman of the Yongsung Federation, which is affiliated to Chondaehyop.

They were wanted for making and hoisting a North Korean flag during a protest in May at Konkuk University and for leading various anti-government demonstrations.

The police mobilized 1,200 men to be on the lookout around Chungang University and strengthened check-ups at entrances to the campus, which is the site of the banned pan-national rally scheduled for this week.

ROK, U.S. Initial Economic Initiative

SK0808010292 Seoul YONHAP in English 0028 GMT 8 Aug 92

[Text] Washington, Aug. 7 (OANA-YONHAP)—South Korea and the United States initialed a set of economic recommendations Friday [7 August] accenting technological cooperation.

A third working-level talks on Presidents' Economic Initiative (PEI) here agreed to establish a working group on technology under the South Korea-U.S. economic consultation body and open its first meeting within this year.

The recommendations urge South Korea to simplify and automate its import and customs procedures while the United States provide the necessary technology and know-how.

In standardization, South Korea agreed to match its regulations to international level and to notify the General Agreement on Trade and Tariffs (GATT) of any domestic regulation changes.

The two countries agreed at a January summit to produce a set of recommendations to improve bilateral trade conditions. The recommendations are not binding but are intended to commit the two countries to them.

Presidents No Tae-u and George Bush are expected to announce the PEI in a summit scheduled for September in New York.

The PEI calls for a linkup between suppliers and demanders of technology through a "market" operation. The first market will open during first half of next year.

For standardization that will affect mostly agricultural and pharmaceutical products, South Korea promised close consultation in any changes. It also promised to notify GATT of the changes and agree to a checking mechanism to make sure that South Korea is implementing the changes.

South Korea will remove pre-qualification inspection on foreign joint venture cases, expand national treatment for foreign investors and gradually lift limits to amount and area of investment.

Student Council Members Demonstrate at USO

SK0908033692 Seoul HANGYORE SINMUN in Korean 9 Aug 92 p 15

[Text] At 1430 [0530 GMT] on 8 August approximately 60 university students affiliated with the Seoul District Federation of General Student Councils held a demonstration in front of the United Service Organizations [USO] building located in Kalwol-tong, Yongsan-ku, Seoul. They shouted "Withdraw U.S. troops" and "We oppose interference in internal affair" for about 20 minutes and then voluntarily broke up the demonstration.

* DPRK Dissidents in CIS Live Under Threats

922C0205A Seoul CHUNGANG ILBO in Korean 28 Jun 92 pp 1-2

[By correspondent Kim Kuk-hu]

[Text] Moscow—Persons who served in high party and government posts in North Korea after the liberation and are now living in exile in the former Soviet Union have recently been threatened by personnel of North Korean special organs or persons believed to be acting under their instructions. The threats say: "If you do not stop your reactionary behavior bringing disgrace on the fatherland, we will exterminate your whole family." The threats are making the exiles feel apprehensive, and diplomatic measures are urgently required.

According to Yu Song-chol (76) and his wife Kim Yong-ok (64), who live in Tashkent, the capital of Uzbek, last February two young men in their 30's visited their apartment and threatened them. Yu served as operations chief (a major general in the KPA) in the National Defense Ministry in North Korea until 1959, then was purged as a member of the "Soviet faction" and exiled to the former Soviet Union. According to the couple, the two men said: "Comrade Yu Song-chol, in the fatherland you committed reactionary acts that were denounced by the people, but in consideration of a variety of factors we did not kill you, but sent you to live in the Soviet Union. In spite of this, recently you have become a pawn of the South Koreans and are continuing your reactionary activities such as exposing a nonexistent Korean war operations plan.... If you do not stop such reactionary behavior, we will blow up your apartment and exterminate your whole family." The two men then left.

The two men also threatened in particular, "If you do not stop your reactionary activities and move to another area, if you go outside we will drag you to a woods near your apartment and kill you with a special poisoned needle. Or if you go out to eat we will put a deadly poison in your food." They added: "There are many young men who will carry out such jobs."

Then the suspicious youths continued, trying to win him over: "We went to Siberia as woodcutters and escaped but were caught by security ministry personnel. We were given this task on the condition that if we do away with you, Comrade Yu, they would let us live. But now that we have met you, Comrade, we see you are an old man who has not got long to live anyway and we do not want to get involved, so if you go away to some distant place and live quietly, you can live and we can live, too."

While one of the two youths came into Yu's apartment and was threatening him, the other man stood at the entrance to the apartment building carrying a camera and surveilling the neighborhood. The two men carried pictures they had taken of Yu and his wife when the couple went outside recently.

Also threatened was Yi Sang-cho (82), who served as the North Korean ambassador in Moscow until 1958 when he was exiled to the Soviet Union, and lived in the city of Minsk in Russia. According to Yi, who is now residing temporarily with his children in Tashkent, in mid-January two young men in their 30's visited his daughter's house. "We went to Minsk but you had disappeared and it took us two months to find you," they said. "We were warning you that if you do not stop committing reactionary acts, your circumstances are going to change."

The two also produced a picture of Yi and threatened him, saying: "We tried to find that reactionary Kang Sang-ho (82, former North Korean vice minister of Home Affairs), who is living in Leningrad, but he was not at home and our trip was all for nothing." At this point, Yi's son said, "If you do not get out of this house immediately, I will report you to the [Russian] Home Ministry," and the two men fled.

Yi also said that some Koreans living in the Soviet Union in Moscow have been harassed by threatening phone calls by persons saying, "We are special forces personnel who are to get rid of you. You had better watch your step." Yi appealed: "Recently there have been a lot of behind-the-scenes maneuvering against pro-Seoul exiles living in the Soviet Union and diplomatic measures are urgently required."

The maneuvering directed at Korean residents living in the former Soviet Union by personnel of North Korea's special organs, or by young men who appear to be acting at their instigation, include such techniques as:

- Searching out and threatening figures who either have visited Seoul or who have published authentic accounts relating to North Korea's distorted recent history. These persons are among those who went into North Korea at the direction of the old Soviet government after the liberation, assisted in the creation of the North Korean regime, and served as high-ranking party and government officials and were later stigmatized as members of the "Soviet faction," purged, and exiled.

Driving a wedge between Korean residents in the Soviet Union.

Producing fabrications about the private lives of special exiles and publishing articles in the newspapers to slander them.

According to Yu Song-chol and other persons in political asylum in the Soviet Union, last fall these young men began telephoning and trying to win people over by telling them things such as, "Do not be bought with dollars and be used by South Korea, a pawn of U.S. imperialists." Beginning last winter the exiles have been threatened indirectly by pro-North Korean persons and beginning this year the young men have been even going to the homes of the relevant individuals carrying facial photographs of them and comparing them with the pictures and making all kinds of threats.

It has been disclosed that the pictures of the exiles carried by the young men are not ones that were taken when the figures were active in North Korea, but photos taken recently when they went out or attended meetings. This suggests that the young men are carrying out an insidious plot, setting up an elaborate plan involving advance work such as conducting surveillance on the designated personages or having underlings collect photos of them.

Also, when the young men visit the homes of the exiles, they make threats or try to win them over by disguising their identities saying, "I have come from Seoul." They go into the apartments, pull out photographs and, after verifying the face, say: "We will exterminate your whole family," and afterwards tell them, "Move to someplace far away."

These young men work in two-man or three-man teams, with one or two going into the apartment and one man hanging around outside the apartment and acting as a lookout. It has been verified that most of them carry cameras.

In places such as Moscow, Alma Ata, and Tashkent, where Koreans live in communities, such maneuverings seek to drive a wedge into the Korean community by making phone calls saying that: "So-and-so has sold out for a few cents and has turned into a South Korean pawn and is obstructing reunification."

In particular, the North Korean authorities have run articles in the TONGIL SINBO—the organ of the Democratic Front for the Reunification of the Fatherland—targetting persons who have published, in the KORYO ILBO and other Korean newspapers in the Soviet Union, materials dealing with the internal situation of the North Korean regime. The TONGIL ILBO articles expose their private lives and make personal attacks on them. The North Korean authorities have distributed these slanderous articles free of charge in mass quantities to Koreans in the Soviet Union.

The exiles in the Soviet Union disclose that: "There is no doubt that, judging by their words and actions, the young men who are searching for us and threatening us are either members of special [security] organs dispatched from North Korea for a special objective or else they are support personnel who have been hired by North Korea. We are not afraid of losing our lives to the terrorism of the North Korean regime, but the tactic of throwing cold water on the reunification atmosphere and dividing the 500,000-member Korean society into North and South is disheartening."

* Yi Chong-chan Intensifies Leadership Struggle

922C0210A Seoul SISA JOURNAL in Korean
9 Jul 92 pp 10-12

[Article by reporters Kim Chae-il and Yi Hung-hwan: "The Struggle for Leadership Posts Is Getting Fierce"]

[Text] Assemblyman Yi Chong-chan is back after having run away from home for a while. His life as a runaway has ended for whatever reasons—he must have been hungry and cold, finding his life unbearable, or he must have decided that it was not the time for him to be away.

The timing of his homecoming is a bit delicate. The house is in disorder and there is cake to eat in the house—an internal strife over party hegemony has just begun within the DLP. With Assemblyman Yi's homecoming, Chairman Kim Yong-sam has succeeded for now in conquering his party. For Kim Yong-sam, who is immersed in the task of bringing all pro-government forces together, nothing makes him happier than Yi's return to the party fold. Chairman Kim did not hide his feeling of satisfaction. He has assured that "there will be no more discord within the DLP until the presidential election." If Chairman Kim is more greedy, he would think of "taking over" Chong Chu-yong's RNP. In fact, the Kim Yong-sam camp is optimistically calculating that a merger, or at least, coalition with Chong's party is a possibility.

According to Kim Yong-sam's political calculation, the Armageddon coming late this year will be a showdown between him and Kim Tae-chung, DP co-leader. A split of the ruling party is what Kim Tae-chung hopes for. Kim Tae-chung's hopes are Kim Yong-sam's taboo. With Assemblyman Yi Chong-chan's decision to stay, Chairman Kim Yong-sam has overcome the first major obstacle in his capacity as DLP presidential candidate. The second obstacle confronts him in pushing the reorganization of the power and leadership structures of the party.

Sources of trouble lie in wait in many places. By bringing Yi Chong-chan back into the party and thus quashing any possibility of his making trouble outside the party, Kim Yong-sam on the surface has succeeded in "conquering the DLP." There is a lot of room for internal squabbles to develop because of Yi Chong-chan, however. It is too early to give a definite answer to the question: Will the DLP, which has remained in a state like oil and water combined physically ever since the three-way merger took place, be able to achieve a chemical mixture on the strength of its presidential candidate Kim Yong-sam's political finesse and the "homecoming" of Assemblyman Yi Chong-chan? Nonetheless, for its chairman, Kim Yong-sam, the "rebuilding" of the DLP cannot but be a vital task in insuring his victory in the coming presidential election.

Drastic Change Opposed

It is highly possible that President No Tae-u will hand over his post as DLP president to Chairman Kim Yong-sam in August. In case Kim Yong-sam becomes DLP president, he will have to relinquish his post as party chairman. A plan for having Kim Yong-sam simultaneously hold the two posts of president and chairman was once under study, but seems impracticable because Kim Yong-sam has no reason to "monopolize" the top party posts—the chairmanship and the presidency, thereby stirring up opposition within the party. Party Chairman Kim Yong-sam does not want a rapid change in the structure of intraparty dynamics. It is not because he loves the DLP but because he came aboard the ship and has to stay on board anyway until the presidential election is over.

Most of DLP middleweight assemblymen likewise do not want internal changes in the party. They have very little reason for welcoming any qualitative change in the party, except for changes for "numerical expansion," such as recruiting of independents, because the man (Chairman Kim Yong-sam) whom they backed up in the race for the presidential candidacy has been nominated as the candidate, and also in view of their own political interests. Additionally, the Taegu-Kyongbuk (TK) force, which had been regarded as the single greatest obstacle to Kim Yong-sam in his bid for the presidential candidacy, is now trying hard to make him president of the Republic, and for this reason, he no longer has to study the TK force's pleasure.

Another task which Kim Yong-sam needs to tackle with all his might in achieving the consensus of the party is to absorb the outer-perimeter forces represented by Assemblyman Chong Ho-yong. This is a knotty task which is not too easy for Kim Yong-sam to accomplish. These people who hang around on the perimeter of the pan-ruling camp are opposed to President No Tae-u or were rejected by him before. Kim Yong-sam wants to be one with President No, although for a limited time, and actually acts accordingly. Therefore, even if they extend their hands of cooperation to him, Kim Yong-sam is not in a position to quickly grasp them. What Kim needs is time. The idea Kim Yong-sam intimates is that these outer-perimeter forces of the ruling camp can be embraced naturally with the passage of time, and that the time will come when President No Tae-u hands over the party presidency to Kim Yong-sam.

The DLP has reached no internal decision yet with regard to the question of whether the timing of transfer of the party presidency should come before the presidential election or after the election. The party is weighing this question by assessing which will more beneficial to the party in the presidential election. The idea once sounded persuasive that assuming the current system of mutual cooperation between President No and Party Chairman Kim Yong-sam continues, it will be more helpful to the solidarity of the pan-ruling camp if President No continues to hold the party presidency. But in view of the situation inside the party and the workings of political dynamics, it is expected that the transfer of the party presidency will take place in August as scheduled, accompanied by a reorganization of the party leadership structure.

An influential source said that if President No holds the position of honorary party president, there will be no problem in achieving the unity of the pan-ruling camp. He said: "Under the current system, the three Supreme Council members handle matters by agreement among them. But now that the presidential candidate has been chosen, this system has lost its reason of being. It will be replaced by a system of unitary collectivism. The representative will deal directly with the three party executives and call the Supreme Council into session as the need arises."

In case President No hands over the party presidency to Kim Yong-sam, and Kim Chong-pil, member of the Supreme Council, is promoted to party chairman, this will settle the question of the DLP leadership structure for now as planned, in view of the apparent agreement between President No and the representative of the supreme Council, Kim Yong-sam, on this matter. Kim Chong-pil is disturbed by the press exposure on Kim Chong-pil's Ohira memorandum signed during the ROK-Japan negotiations, which gives the impression that Kim Chong-pil was the man who led the humiliating diplomatic negotiations with Japan. One of his close aides quoted Kim Chong-il as saying, "I put up with something more terrible before. I will bear it as long as I can. But if they take me on like that, I will counter witha frontal attack, making it clear what I did and what I did not do."

An interested official in Kim Chong-pil's secretariat expressed his displeasure at the press report when he said, "there seems to be some hidden motive." Many are of the opinion that it is hard to link the ripples created by the press report to the internal strife for the party hegemony, however, considering the fact that Kim Chong-pil does not want to see the party in disarray before the presidential election, and that there is no one in other factions who will vie for the post of the Supreme Council representative by pushing him aside. An official of the NDP faction said: "it is more reasonable for Supreme Council member Kim Chong-pil to become the Supreme Council representative; but he can do nothing without the help of the DJP faction. Accordingly, there is no reason the DJP should try to hold him in check."

Apparently, the aforementioned newspaper report deals some blow to Kim Chong-pil. Many observers see no particular obstacle in his way to securing that post, however. Assemblyman Kim Chong-il, reputed for his outstanding political skill of Grade 10, is improving his own position by adroitly taking advantage of the delicate political situation and the political dynamics within the party. After the 13th presidential election and also after the 14th National Assembly election, observers said it would be awfully difficult for him to stage a political comeback. But, each time overturning the prediction, he rather strengthened his political position.

Fight for Hegemony Between Kim Chong-pil, Kim Yun-hwan

Some in the DLP regard the "struggle for leadership posts" centering on the issue of reorganizing the party leadership structure as a strife between Supreme Council member Kim Chong-pil and Assemblyman Kim Hun-hwan for the hegemony of the party. Reportedly, Kim Yun-hwan has come up with the suggestion that the Joint Members of Supreme Council consisting of eight or so members be formed with Kim Chong-pil as their representative and Kim Yun-hwan himself as the "secretary general" of the group. In some LDP party circles, there is an allegation that Kim Yun-hwan is now trying to seize the hegemony of the party by following up his success in becoming the manager of the committee to support Kim Yong-sam as presidential candidate. Regarding this allegation, Kim Yun-hwan said, "I do not have an iota of such intention."

Kim Yong-sam is said to have suggested a third alternative that Kim Chong-il and Pak Tae-chun, present members of the Supreme Council, become joint representatives and Kim Yun-hwan and other middleweight bosses comprise the Joint Members of the Supreme Council.

Concerning the party's leadership structure, the plan for expanding the upper limit to the number of Supreme Council members from the present five to eight is favored most. There is a great possibility that the seats will be allocated to major cities and provinces for the best results of the election. From the Seoul area, Assemblyman Yi Chong-chan, who has decided to stay abandoning his plan to organize a new party and run for the presidential election, is likely to become Supreme Council member. When Yi did not yield his intention to bolt the party, there was a plan to name someone from the outside as Supreme Council member representing the Seoul area.

As for the Supreme Council member to represent the Kyonggi-Inchon area, Assemblyman Yi Han-tong is expected to be chosen. Assemblymen Yi Chun-ku, Kim Chong-ho, and Pak Chun-pyong are among the likely candidates for the Supreme Council member representing Chungchong Provinces. In the case of Assemblymen Kim Chong-ho and Pak Chun-pyong, they have little chance of being named for that post, however, because they are regarded as belonging to the same class with Assemblymen Kim Yong-tae and Na Un-pae and others.

According to speculation, Assemblyman Kim Yun-hwan will be chosen as the Supreme Council membership representing the Taegu-Kyongbuk area, and there seems to be no particular opposition. In case Assemblyman Chong Ho-yong joins the DLP when a reorganization of the party leadership structure takes place, he could become a Supreme Council member representing Taegu, separately from Assemblyman Kim Yun-hwan. Many predict that Chong Ho-yong will join the DLP when the transfer of the party presidency takes place. Observers name Assemblymen Chong Sun-tok and Sin Sang-u as likely candidates for the Supreme Council seat representing the Pusan-Kyongnam area. The feelings of the local populace in that area being what they are, the prevailing view is that of these two, Sin Sang-u, who belongs to the RDP faction, will gain the seat. According to observers, the Supreme Council seat representing Kangwon Province will go to Assemblymen Sim Myong-po or Assemblyman Chong Chae-chol. Assemblyman Sim's reported health trouble will be to his disadvantage in his bid for the seat, however.

According to speculation, Hwang In-song, chairman of the Policy Committee, and Kim Sik-chon, minister of agriculture, forestry, and fisheries are the prospective candidates for the Supreme Council seat representing the Honam area. At one time, the name of Choe Yong-chol, former Chongwadae special political advisor, was mentioned as a likely candidate. He was recently appointed as vice prime minister and concurrently minister of the National Reunification Board. Reportedly, he has been alienated from Kim Yong-sam since he made the controversial statement in Cheju last summer about "the possibility of the two Kims accepting the cabinet form of government." Another plan is also reportedly under study for seating Yi Han-kim, former prime minister and former chairman of the Board of Audit and Inspection, in the Supreme Council representing the Honam area. The name of Kim Chong-nye, former minister of health and social affairs, is mentioned by observers as Supreme Council member representing the women.

System of Joint Representatives Possible

In connection with the selection of Supreme Council members, attention is focused on the question of what will happen to Pak Tae-chun, current Supreme Council member. Of the three Supreme Council members, one will become party president and another will become party chairman, a promotion for the two. But if Pak Tae-chun is to retain his current position and be placed on the same level with his "subordinates," it would mean a demotion for him. As Assemblyman Yi Chong-chan presses Supreme Council Representative Kim Yong-sam hard to hand over his post to Pak Tae-chun when he becomes party president, attention is focused on the possibility of adopting the system of joint representatives.

Yi Chong-chan's decision to stay is expected to have no small impact on the presidential election. The DP does not regard his about-face as a matter of great consequence. According to the DP's own survey, even if Yi were to run for the presidential election, it would not necessarily be beneficial to Kim Tae-chung.

According to a DP source, Assemblyman Yi Chong-chan asked the DP for help as a last resort. Yi asked the DP to have several DP assemblymen participate in the National Coalition for New Government he was organizing. As a condition for cooperation, the DP demanded that he first organize a new party and then merge it with the DP in less than a few months. The same DP source expressed regret by saying that Assemblyman Yi has declared his intention to stay in the DLP when a conclusion on this matter was yet to be made.

On the surface, the RNP seems to welcome Yi Chong-chan's decision to stay in the DLP on the ground that if he had organized a new party, it would have made some of its assemblymen waiver. According to the general opinion of political analysts, however, if Assemblyman Yi were to run for the presidential election, it would eat into the pro-government votes; and for this reason, RNP Representative Chong Chu-yong will have more to lose from Yi's decision not to run.

The 14th National Assembly has opened after much complication. Kim Yong-sam, who has entered the 14th National Assembly leading the DLP assemblymen, needs to show a new image of his party, different from its past image. His hope of calling the new National Assembly into session without trouble through negotiations has failed. But, he has had a gain in the form of Assemblyman Yi Chong-chan's "homecoming." Kim Yong-sam might have been more interested in the National Assembly than in his bid for the presidency. He has yet to select the head of the presidential election campaign organization which will make him president. The National Assembly cannot but be his secondary interest. There is room for the DLP to become embroiled in an internal turmoil over the revamping of its leadership structure scheduled for August.

Burma

SLORC Receives Coordination Committee Report

BK0708140992 Rangoon Radio Burma in Burmese 1330 GMT 7 Aug 92

[Text] The Steering Committee for Holding the Coordination Meeting on Convening the National Convention, which was formed in accordance with Notification No. 35/92 of the State Law and Order Restoration Council [SLORC], uccessfully held a coordination meeting with leading elected representatives of legally standing political parties and independent representatives from 23 June to 10 July 1992.

The committee has submitted its report to the SLORC today—7 August 1992—in accordance with the requirement to submit the report within one month. It is learned that the SLORC will review and study the report and carry out the necessary measures.

SLORC Secretary-2 Reiterates Peace With Rebels

BK0908110192 Rangoon Burma Television Network in Burmese 1330 GMT 8 Aug 92

[Excerpts] Major General Tin U, secretary-2 of the State Law and Order Restoration Council and army chief of staff, accompanied by responsible personnel, arrived at Kyaukkyi in Pegu Division by helicopter at 0845 today and held discussions on matters relating to development and regional security with the military commander, deputy commander, and responsible personnel at the Than-Bo Hall of the regional command headquarters. [passage omitted]

After the inspection tour, the secretary-2 proceeded to the township combined office and held discussions with township level responsible departmental and public services personnel at the meeting hall of the township cooperative department.

Maj. Gen. Tin U reiterated that matters concerning development activities and regional security in Kyaukkyi would be properly planned and carried out. He continued to mention that they wanted peace and tranquility to prevail and also noted that they have acquired peace with nine armed insurgent groups during their reign. He then continued by saying farmers, workers, intelligentsia, technocrats, and the national races should participate in the forthcoming national convention.

Maj. Gen. Tin U said, regarding national solidarity, they have halted military offenses in the Karen State. He then reiterated they will always welcome with open arms those armed insurgents, who come in good faith and genuine will for peace. He reminded that armed struggle could not achieve anything, but casualties on both sides. This would adversely affect the country by lessening its internal strength. The secretary-2 then urged the armed insurgents to give up their futile armed struggle and peacefully join hands with them. [passage omitted]

Exile Government, Opposition Sign Manerplaw Pact

BK0908084792 (Clandestine) Democratic Voice of Burma in Burmese 1430 GMT 8 Aug 92

[Text] Top leaders of the National Coalition Government of the Union of Burma, led by Prime Minister Dr. U Sein Win; the National League for Democracy in the liberation zone led by Secretary U Tin Aung; Democratic Alliance of Burma, led by Chairman Saw Bo Mya; and the National Democratic Front, led by Chairman [name indistinct], after thorough and serious discussions at the Manerplaw Camp on 30-31 July 1992, have signed the 'Manerplaw Treaty' or the treaty agreeing to the establishment of a Federated Union of Burma.

Provisions in the treaty precisely state the establishment of a genuine federated union with equal rights and self-determination for all the national races while guaranteeing the full democratic and human rights of the entire populace after the fascist and dictatorial rule of the State Law and Order Restoration Council has been crushed.

Brunei, Malaysia & Singapore

Malaysia

Mahathir on Yugoslavia; Criticizes U.S. Stand

BK0908135492 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 9 Aug 92

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed said Malaysia may consider cutting off diplomatic ties with Yugoslavia if the on-going violence in Bosnia-Hercegovina continues. Malaysia, said Datuk Sri Dr. Mahathir, strongly protested any move to have Serbia represent Yugoslavia at the Nonaligned Movement, NAM, summit in Jakarta next month.

The prime minister also lashed out at the attitude of the United States over the Bosnia issue. He said Malaysia felt very sad because it is obvious that Sarajevo is being attacked and so many Bosnians have been killed and yet the U.S. is just going to think about it. He said that Washington was only willing to look into the plight of the Bosnians when detention camp reports were revealed. But they are ready to go to war against President Saddam Husayn. He said he did not know what are their priorities. As far as Malaysia is concerned, whether the Bosnians are Muslim or Croat, it does not matter, but they are being attacked by the Serbs, killed everywhere, and being chased out. He added if this continued, Malaysia might consider cutting off ties with Yugslavia.

Foreign Minister Urges UN Action

BK1008085292 Kuala Lumpur BERNAMA in English 0741 GMT 10 Aug 92

[Text] Kuala Lumpur, Aug 10 (OANA/BERNAMA)—Foreign Minister Abdullah Ahmad Badawi Monday said the United Nations needs to take firmer action against Serbia and Montenegro, the two remaining states of Yugoslavia, for committing atrocities in Bosnia- Hercegovina or lose its credibilty as a world body.

"The credibility of the UN is at stake at the moment...It has to do something. A lot of nations are calling for sterner political and military actions (against the Serbs)," he said.

Speaking to reporters here, he said it was about time the UN made such a decision by mobilising military forces to restore order in the war-torn breakaway state.

This was necessary as "the Serbians are not going to listen to anybody," he added when asked to comment on Prime Minister Dr. Mahathir Mohamed's statement Sunday that Malaysia may sever diplomatic relations with Yugoslavia over the continuing atrocities in Bosnia-Hercegovina.

Abdullah said Malaysia was in favour of military action in accordance with under article 42 of the UN charter.

Malaysia had already officially asked the UN Security Council to take stronger action as sanctions imposed by member countriers had failed to generate results, he said.

"Our mission at the UN is working very hard to mobilise support from various countries as we feel it is about time it made such a political and military decision," he added.

According to Abdullah, the UN had to address the political conflict first as the Bosnian problem could not be solved by just giving them aid and assistance.

He, however, said such action by the UN must be supported by all member countries, the Organization of Islamic Conference (OIC) and also non-governmental organizations to ensure its success. Abdullah regretted that efforts by various European countries to deliver assistance to Bosnia-Hercegovina had failed as they were hampered by military operations.

Mahathir Opposes Invasion of Iraq To Oust Saddam

BK0708150092 Singapore Singapore Broadcasting Corporation in English 1400 GMT 7 Aug 92

[Text] In Malaysia, the prime minister, Datuk Sri Dr. Mahathir Mohamed, said his country would not support the invasion of Iraq for the sole purpose of ousting President Saddam Husayn. Speaking to reporters, he said he had voiced his [word indistinct] against such action. Dr. Mahathir said Malaysia was against the use of force by any country.

PRC Vice Premier Begins Official Visit 10 Aug

BK0808135192 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 8 Aug 92

[Text] Chinese Vice Premier Yao Yilin will lead a 22-member delegation for a five-day official visit to Malaysia from Monday. A Foreign Ministry statement says the delegation will include Minister of Foreign Economic Relations and Trade Li Lanqing and Vice Minister of Foreign Affairs Xu Dunxin. The visit is in response to an invitation by Deputy Prime Minister Ghafar Baba, who will host a dinner for the delegation on Monday.

Mr. Yao will call on Prime Minister Datuk Sri Dr. Mahathir Mohamed and attend briefings by the Economic Planning Unit at the Prime Minister's Department and the Palm Oil Research Institute of Malaysia. He will also attend a business-cum-luncheon organized by the National Chamber of Commerce and Industry on Wednesday where he will speak on China's current economic reforms and policies and the strengthening of Sino-Malaysian trade relations. Before leaving for Singapore on Friday, the delegation will visit Pulau Pinang.

Met at Airport by Law Minister

BK1008094892 Kuala Lumpur BERNAMA in English 0931 GMT 10 Aug 92

[Text] Kuala Lumpur, Aug 10 (OANA/BERNAMA)—Chinese Vice Premier Yao Yilin arrived here Monday for his first visit to Malaysia.

Yao, who is leading a 23-man delegation, will be here for five days at the invitation by Deputy Prime Minister Abdul Ghafar Baba.

He was met on arrival by Law Minister Syed Hamid Albar and Foreign Ministry and Chinese embassy officials.

Also in delegation is Minister of Foreign Economic Relations and Trade Li Lanqing and Vice Foreign Minister Xu Dunxin.

During his visit, Yao will call on Prime Minister Dr. Mahathir Mohamed.

On Wednesday, he will visit the Palm Oil Research Institute of Malaysia and meet members of the National Chamber of Commerce and Industry.

Cambodia

5 Aug SNC Meeting in Siem Reap Reported

BK0708132992 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 7 Aug 92

[Text] At 0900 on 5 August at Preah Moha Khsat Trei Yani Palace in the provincial town of Siem Reap, the Supreme National Council [SNC] held its 17th meeting under the chairmanship of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the SNC of Cambodia, and His Excellency [H.E.] Yasushi Akashi, special representative of the UN secretary general in Cambodia. The meeting was also attended by the four Cambodian parties, envoys of the Big Five, delegates of the cochairmen of the Paris conference, and several diplomats and observers.

The meeting discussed four items, including the accord's execution in the second phase, human rights, electoral law, and the Khmer Rouge's demand for the dissolution of the Phnom Penh government.

On the first item, H.E. Akashi renewed his call on all the Cambodian parties, specifically the Party of Democratic Kampuchea [PDK], to firmly abide by phase two of the cease-fire, which includes regrouping troops to be disarmed and demobilized in cantonments under the supervision of UNTAC [UN Transitional Authority in Cambodia]. Concerning this issue, although the Khmer Rouge faction did not clearly spell out its stance, the other three parties—especially the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party headed by Prince Norodom Ranariddh, which has already gradually executed the implementation—agreed.

With regard to human rights, H.E. Ieng Muli, representative of the Buddhist Liberal Democratic Party [BLDP], said human rights abuses occur one after the other, adding that the Cambodian citizens have not yet been completely free and even an SNC member as himself was also subjected to the same abuses. He called on UNTAC to deploy its forces, both military and police, everywhere, especially in remote areas across Cambodia. On this issue, H.E. Akashi said it is true that UNTAC has not yet fully dealt with this matter but it is necessary to carry out the implementation step by step during UNTAC's mandate in Cambodia.

Regarding the issue of elections, H.E. Khieu Samphan—referring to the UNTAC-drafted electoral law, which was presented to the SNC and which states that those who were born of a Cambodian father or mother or those who had one parent born in Cambodia are eligible to vote—held that this would pose a great danger to the Cambodian nation. He proposed a formula which states that all Cambodian nationals who are 18 years of age or who have a Cambodian father or mother before 1979 are eligible to cast ballots.

As for item 4, it was not discussed because H.E. Akashi thought that this issue would hamper the peace process.

After the meeting, HRH Prince Norodom Sihanouk and H.E. Akashi told reporters that the UNTAC-drafted electoral law that has free and fair characters had already been officially adopted at the meeting. H.E. Akashi said the Khmer Rouge continued to maintain the consistent stance which demands the dissolution of the Phnom Penh regime's administration.

Asked by a reporter whether the Cambodian peace process would continue to be stalled if the Khmer Rouge continued to adopt such a stance, HRH Prince Norodom Sihanouk said: There will be no deadlock since the SNC's works have been actively in progress, and despite lacking cooperation from the PDK, the latter has always accepted and abided by the Paris accord. The party has said that it does not oppose resolutions, as such a stalemate will not emerge.

Meanwhile, an UNTAC provincial administrative office in Siem Reap Province-Oddar Meanchey headed by Indonesian Benny Widyono was inaugurated at 0300 on 5 August under the lofty chairman of HRH Prince Norodom Sihanouk and H.E. Yasushi Akashi. The office is the second UNTAC office after the first one was opened in the Ta Khmau township of Kandal Province recently.

Khieu Samphan Addresses Election Law

BK0808024492 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 7 Aug 92

[Text] At the meeting of the Supreme National Council [SNC] in Siem Reap town on 5 August, there was a discussion on the draft election law which the UN Transitional Authority in Cambodia [UNTAC] has prepared. This draft law grants voting rights to Vietnamese. His Excellency [H.E.] Khieu Samphan spoke against this draft election law and proposed measures to prevent Vietnamese from voting. Here is the essence of H.E. Khieu Samphan's address:

H.E. Akashi, special representative of the UN secretary general and chief of the UN Transitional Authority in Cambodia [UNTAC], has just informed the SNC about the draft election law. The main issue of the election is who has the right to vote. According to H.E. Akashi, the following are called Cambodians:

1. Those born in Cambodia whose father or mother was born in Cambodia;

2. Those born anywhere of a Cambodian father or mother according to the definition in 1 above.

On this issue, I have addressed a message, dated 22 July 1992, to H.E. Akashi asking for reconsideration of this issue because it affects the survival of our people and nation. Vietnamese settlers, who have been flowing into Cambodia since 1979, now number nearly 2 million. According to H.E. Akashi's above proposal, these Vietnamese settlers will have Cambodian nationality. This is the most serious threat to our Cambodian nation and people because this draft election law serves the Vietnamization of Cambodia. This is why I frankly informed H.E. Akashi that we oppose this draft election law. In my 22 July message, I clearly proposed that Cambodians who can vote are Cambodians aged 18 and above and who have Cambodian nationality with either father or mother having Cambodian nationality before 1 January 1979.

Our correct proposal was rejected. Now if UNTAC's draft is accepted, this will be in violation of the Paris agreement concerning Cambodia's sovereignty, independence, territorial integrity, neutrality, and national union. According to the Paris agreement, the signatories of the accord solemnly pledge to recognize and respect Cambodia's sovereignty, independence, territorial integrity, neutrality, and national union. The fact is that if the

UN proposal is accepted, Cambodia will have no independence, sovereignty, territorial integrity, neutrality, or national union.

Voting in accordance with this law is legitimizing the Phnom Penh regime which Vietnam installed in 1979. This is because Vietnamese will have Cambodian nationality and have the right to vote to allow Vietnam to control Cambodia and continue the Vietnamization of Cambodia. If this is allowed to happen, in 10 years, present-day Cambodia will become a second Kampuchea Kraom [former Cambodian territory now part of south Vietnam] and the Cambodian people will become a minority in their own country because the government resulting from this election will certainly continue the Vietnamization of Cambodia the way the Phnom Penh regime is doing now. Vietnamese settlers will continue to flow into Cambodia at will.

To decide on this vital issue, we believe it is necessary to hold a referendum to find whether the people agree with this draft law.

Khieu Samphan Supports Creating Joint Police

BK1008020292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 9 Aug 92

[Text] At the meeting of the Supreme National Council [SNC] held in Siem Reap Town on 5 August, His Excellency [H.E.] Ieng Muli informed the participants that he was held up for six hours in Prey Nop by the Phnom Penh party's policemen. H.E. Ieng Muli said that such an event indicated the lack of a neutral political atmosphere. H.E. Ieng Muli proposed that the UN Transitional Authority in Cambodia [UNTAC] set up a committee in charge of police affairs made up of representatives of the four Cambodian factions and headed by UNTAC representatives. He proposed the setting up of this police affairs committee in Phnom Penh and provincial seats throughout Cambodia.

H.E. Khieu Samphan also joined in discussing this matter. Here is H.E. Khieu Samphan's opinion:

Our Party of Democratic Kampuchea [PDK] also received reports that the Phnom Penh police set up and managed by the Vietnamese planned to capture H.E. Ieng Muli and then put the blame on our PDK. We condemn this dark scheme which is another attempt to destroy the Paris agreement. Our PDK would like to express sympathy with H.E. Ieng Muli and his party. We demand that an urgent measure be taken to ensure security for SNC members and enable them to carry out their duties peacefully.

This event in Prey Nop is not accidental. It is a premeditated plan as a part of the policy to threaten the SNC members from the patriotic forces and all Cambodians who oppose the Yuon [derogatory term for Vietnamese] aggressors' occupation of Cambodia and the Yuon puppets' corrupt practices.

Everyone must have remembered the event on 27 November 1991 when myself and H.E. Son Sen were victimized and our residence was smashed by the Yuon-installed regime in Cambodia.

Almost everyday since the signing of the Paris agreement, there were threats—attempted assassinations, arrests, and massacres—against members of newly-established political parties and attempts to prevent all those parties from functioning. This is a gross violation of the Paris agreement. If the election is held under such a situation, it would mean giving approval for the Yuon to further occupy Cambodia. All these problems require an immediate implementation of two key points of the Paris agreement.

H.E. Khieu Samphan added: I would like to support H.E. Ieng Muli's opinion that there should be preventive measures which include the setting up of a committee in charge of police service in Phnom Penh and provincial seats. With the help of this police affairs committee made up of representatives of the four factions, the UNTAC police force will be able to work effectively.

Hun Sen Meets Japanese Foreign Ministry Mission

BK0708134192 Phnom Penh SPK in French 1140 GMT 7 Aug 92

[Text] Phnom Penh 7 Aug (SPK)—Mr. Hun Sen, chairman of the State of Cambodia's Council of Ministers and member of the Supreme National Council, received a Japanese delegation led by Mr. Kawa Kami, director general of the Financial and Technical Cooperation of Japan's Foreign Ministry on 6 August.

On that occasion, Mr. Kawa Kami told Chairman Hun Sen that his visit to Cambodia was to plan Japan's project to provide Cambodia with assistance in restoring the Chroy Changva bridge and National Route 6 and installing electricity, drinking water, and drainage networks in Phnom Penh.

Mr. Hun Sen, who is also vice chairman of the Cambodian People's Party, called on the Japanese government to provide the assistance as soon as possible so as to promote the peace process in Cambodia.

Foreign Minister Receives Delegation

BK0908074892 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 9 Aug 92

[Summary from poor reception] "His Excellency Hor Namhong, State of Cambodia's foreign minister, member of the Cambodian Supreme National Council, and coordinator of economic cooperation with Japan, received at the office of the Foreign Ministry on 6 August at 1000 Kawa Kami, director general of the Financial and Technical Cooperation of the Japanese Foreign Ministry, who paid a courtesy call and held talks during the latter's visit to Cambodia. Also present on this occasion was Yoshio Imagawa, Japanese ambassador to Cambodia."

Hor Namhong welcomed the visit and expressed joy at Japan's aid for Cambodia. The Japanese guest thanked Hor Namhong for the meeting and reaffirmed the Japanese Government's will to assist in Cambodia's rehabilitation and reconstructioon. Japan has already sent about 10 technical missions to Cambodia.

"Concerning the Chrouy Changva bridge, symbol of Japan-Cambodia friendship, the Japanese side promised to strive to finish the repair work by March 1994." Japan also plans to provide technical assistance to the Phnom Penh port. As part of this year's technical assistance, the Japanese Government is prepared to train 50 Cambodians and will send experts, specialists, and youth volunteers to take part in Cambodia's economic rehabilitation.

Hor Namhong profoundly thanked the Japanese Government and people for their assistance. The two sides exchanged views on the plan to repair and build a new port on the Chrouy Changva side of the river.

Defense Minister Calls for Prisoner Release

BK0908062292 Phnom Penh SPK in English 0419 GMT 9 Aug 92

[Text] Phnom Penh SPK August 9—Defense Minister Tie Banh said here Friday that no prisoner from the State of Cambodia held by opposition parties has been officially freed so far, in talks with McNamara, director of human rights research of U.N. Transitional Authority in Cambodia (UNTAC). Tie Banh said: "Following the signing of the Paris peace agreement, the Phnom Penh government has released all political and war prisoners under the supervision of international organisations".

He said, however, there were still some detainees, but criminal prisoners, not political ones.

The Defense Minister also asked international human rights organisations as well as UNTAC to find out people belonging to the State of Cambodia who are being detained by the opposition parties.

Tie Banh, who held talks with McNamara in the presence of Lieutenant General Sanderson, said: "No one knows detaining sites, except UNTAC."

In his reply, McNamara affirmed that he would cooperate with other Cambodian parties to look into this problem, but he expressed concern over Khmer Rouge's objection to give access to him of other international organisations to its controlled areas.

Heng Samrin Visits Cadres in 4th Military Region

BK0808131692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 8 Aug 92

[Text] His Excellency [H.E.] Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] and chairman of the State of Cambodia's State Council, and madam recently paid a visit to leading cadres in the 4th Military Region. Taking part in the visit were three-star Lieutenant General Long Sopheap, commander of the 4th Military Region, as well as officials from the people's committee and military command in Siem Reap Province and cadres from various departments in the military region.

At a gathering, Brigadier General Chea Saran, deputy commander of the military region, presented a report to the high-level party- state delegation on some military events in the entire military region. He recalled the efforts displayed by the region's cadres and combatants to correctly implement the Paris accord, particularly to cooperate well with representatives of the UN Transitional Authority in Cambodia [UNTAC]. The general also reported on the Khmer Rouge's activities which breached the accord, specifically their maneuvers and bold attacks on military positions in the region. Nevertheless, the 4th Military Region's armed forces, he added, continued to patiently abide by the accord and have firm confidence in UNTAC's competence.

Taking the floor, H.E. Heng Samrin sincerely extolled the regional cadres and combatants for their successes, exploits, and endeavors. Besides, he accounted for the national and international events, especially the process of implementing the peace accord in Cambodia which, with the resolute determination and respect of the international community and various Cambodian parties, had been in progress.

Afterward, senior Lt. Gen. Long Sopheap profoundly thanked the high-ranking party-state delegation for having spent its valuable time to visit, encourage, and brief the 4th Military Region and urged the latter to continue to firmly carry out the CPP's political program and observe the Defense Ministry's instructions. The general, on behalf of the 4th Military Region, pledged to support and correctly fulfill all tasks entrusted by the party and state.

Before concluding, H.E. Heng Samrin handed over some gifts and a cash donation of 500,000 riels to the military region.

Soldiers in Siem Reap Reportedly Stage Protest

BK0908042292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 8 Aug 92

[From the "Brief News" feature]

[Text] Reports from Banteay Srei District [Siem Reap Province] say that Cambodian soldiers in Sre Noi and Khna Krau were planning to stage protests against Long Sopheap, commander of the Vietnam puppet 4th Military Region in Siem Reap, over the latter's plan to pay soldiers in riel currency, which is no longer in use.

The reports say that after learning that Long Sopheap went to Phnom Penh to bring back sacks of riel banknotes to pay Cambodian soldiers in Siem Reap Province, the latter prepared ammunition for staging protests against the commander of the 4th Military Region. Puppet leaders in Siem Reap dispatched their henchmen to repress these revolts by Cambodian soldiers; however they achieved nothing. On the contrary, these henchmen were ambushed by Cambodian soldiers in Sre Noi and Khna Krau along the Banteay Srei road; a number of them were killed or wounded.

SPK Reports Rice-Planting Statistics

BK0808124192 Phnom Penh SPK in French 1130 GMT 8 Aug 92

[Text] Phnom Penh 8 Aug (SPK)—By mid July, the provinces of Battambang, Kandal, and Kompong Chhnang had respectively grown 77,000, 6,750, and 7,500 hectares of rainy-season rice while Kompong Speu Province had only planted 100 hectares on account of unfavorable climatic conditions.

Besides, the two riverine provinces of Kandal and Kompong Chhnang Provinces, which are the most favorable regions for food crops cultivation, had, at the same time, planted 16,900 hectares of subsidiary crops, a big part of which was red corn.

In last year's rainy season, Battambang, Kandal, and Kompong Chhnang Provinces respectively planted 117,847, 56,700, and 61,750 hectares of various types of rice and obtained a yield of one and a half tonnes per hectare.

Indonesia

Suharto Stresses Military Role in Politics

BK1008030292 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 10 Aug 92

[Text] President Suharto says it is impossible for ABRI [Indonesian Armed Forces] to return to the barracks and perform its duties as defense and security forces only. ABRI has also increased its role as a sociopolitical force, which is embodied in the ABRI dual-function system.

Speaking at the Tapos ranch, West Java, yesterday when he met a number of ABRI officers who will assume their post as members of parliament, the head of state stressed that the ABRI officers who will assume the legislative post are entitled to formulate the direction of the state's policies in their capacity as sociopolitical force along with other sociopolitical forces.

The president has again raised the ABRI dual-function concept because there are still a number of people, including social scientists, who have raised questions on whether it is necessary to maintain the ABRI dual-function system and when ABRI should return to their barracks and withdraw its 100 representatives from parliament. The president noted the criticism against ABRI dual-function system had been launched by those who did not want to learn from history on why ABRI was represented in the legislative body.

When they met with the president, the ABRI officers, who were taking an orientation course before assuming their legislative posts, were accompanied by Armed Forces Commander General Try Sutrisno and chiefs of staff of the three services.

Paper Examines CGI Aid Role in Economy

BK1008063192 Jakarta KOMPAS in Indonesian 20 Jul 92 p 4

[Editorial: "The Significance of CGI Aid and Its Implications for National Development"]

[Text] There were anxious moments in our country as to whether the first meeting in Paris of the Consultative Group on Indonesia [CGI], a creditor group which replaces the now-defunct Intergovernmental Group on Indonesia, would proceed smoothly. When we say smoothly, we mean in the sense that the new creditor group headed by the World Bank will continue to give development aid to Indonesia. Therefore, we are now relieved to learn that the Paris meeting has indeed proceeded smoothly and agreed to allocate $4,948 million for Indonesia's development programs. This reflects the group's confidence in our country's stability and dynamism.

The agreement reached by several countries and international financial institutions grouped in the CGI is not only due to our dynamic stability, but also serves as approval of Indonesia's economic policies, which they view as treading the right path. This path will be further developed in line with the progress and challenges we are going to face.

There are four areas which are given special attention; namely, the development of human resources, reduction of the level of poverty, development of infrastructural facilities, and environmental preservation. In this connection, President Suharto pointed out that we must safeguard the trust placed in us by the CGI by saying: "For this reason, we must make use of foreign aid to the best of our ability so as to finance the priority development projects we have already formulated."

The four priority areas are in line with the World Bank's proposal and have been approved by the CGI, but their feasibility studies and formulation of policies will be done by ourselves. Several groups in both the government and private sector have in the past few years earnestly talked about human resources development, which will even become the central theme of the next development stage. We have also reached the conclusion that it is a comparative advantage for us to have vast human resources.

Our efforts to reduce the number of people living below the poverty line will continue. Several concrete programs, such as special programs for economically weak people, have been formulated by the National Development Planning Agency and translated into action.

We also see the need to upgrade and improve our infrastructural facilities. Economic development demands the continued supply of infrastructural facilities, such as roads, ports, power supply, telecommunications, and others. Industrial demand for electricity also continues to increase.

As for the environment, Indonesia pays close attention to its preservation. The concept of progressive development is something we have agreed upon and this has been implemented in various areas. Its implementation, along with its supervision, will be intensified, especially in sensitive sectors, such as forestry and industrial management.

We view foreign aid not only as an economic, but also a moral responsibility and this is reflected in the speech made by Coordinating Minister for Economics, Finance, Industry, and Development Supervision Radius Prawiro at the CGI meeting: "We still seek and need foreign aid after we have raised funds from domestic sources, including taxation."

This is the moral responsibility we are strongly aware of and want to maintain. While we mobilize domestic funds, we also want to make the best use of foreign aid. Besides, as stressed by Minister Radius Prawiro, such foreign aid is needed not only to accelerate the realization of the four targeted priority areas, but also "to safeguard our fiscal and monetary policies currently being implemented."

There are at least two things worth noting. During the current economic situation, Indonesia needs funds to improve its deficit standing account to ensure a stable monetary situation and its export-import activities. This explains why we had a tight money situation last year. The tight money policy was also aimed at curbing foreign loans, especially in the private sector. If Indonesia is seen as taking the right path for its economic management, one of the reasons is the way it handles its foreign debt management.

We believe that prudent, thorough, careful, and vigilant economic management is something that we still need. The experience of other countries, such as Brazil, shows that once such management is flawed, it will be a long and very difficult process to restore the damage.

At the meeting in Paris, countries and financial institutions grouped in the CGI had a chance to air their views on Indonesia. The meeting's chairman, Gautam Kaji, who also serves as vice president of the World Bank, said: "At the global level, Indonesia must maintain its competitive edge, which means that the private sector must play a greater role in the domestic economy. For this purpose, the Indonesian Government must shift its role from an institution which provides goods and services to one which enables the market to function better and more effectively. For this reason, the country needs an effective and transparent administrative system which is able to encourage the private sector to boost its productivity through investment and efficiency."

We are quite well aware of the implications of such statements, namely the need to carry out economic deregulation and to reduce bureaucracy. Economic deregulation is aimed eventually at increasing productivity and efficiency so more people will receive the benefits. At the same time, the deregulation policy will also make some people lose their economic pie. Therefore, control is needed.

Exercising such control is not easy because the issue is complex and interdependent while the vested interests whose business were well protected in the past will not keep quiet. That is why, a transparent policy management is needed.

Apart from management in the technical and economic sense, namely the launching of deregulation policies, the development of the private sector also needs an expansion of insight, commitment, and responsibility. Without these qualities, the private sector may move in the wrong direction and adopt wrong attitudes. It will work for its own interests, not for "the maximum benefits of the people and the progress of the nation and country."

We also want to take note of another remark made by Gautam Kaji, vice president of the World Bank who also serves as chairman of the CGI meeting: "Lastly, in an effort to ensure continued development, an improvement in the management of irrigation, forestry, land resources, environmental preservation is needed.

This is what we want to reiterate as an expression of our common responsibility and awareness of the issue. The economic aid we receive each time from creditor groups like the CGI serves as a reminder to both the government and private sector that we need rejuvenation, better understanding, and internalization of our development ethics, which says that the process and the targets of economic development are devoted "for the maximum benefit of the people."

Laos

Prime Minister Receives Burmese Foreign Minister

*BK0808105592 Vientiane KPL in English
0912 GMT 8 Aug 92*

[Text] Vientiane, August 8 (KPL)—Lao Prime Minister Khamtai Siphandon, on August 7 granted an audience here to U Ohn Gyaw, minister of foreign affairs, chairman of the Myanmar [Burma]-Laos Joint Border Commission.

Mr. Khamtai Siphandon warmly welcomed the visit by the Myanmar-Laos Joint Border Commission and said that the visit contributed yet to another step for the consolidation of the relations of friendship and cooperation between Laos and Myanmar.

The Lao prime minister was of the view that the initial step of the cooperation filled with good mutual understanding with regard to the demarcation of the common border represented a very significant implication to the expansion of friendship, future and lasting cooperation in the various sectors, particularly in the fields of economy, science, technology, culture and others.

In the last dry season, Laos and Myanmar agreed to carry out border survey and the demarcation of the border. During the visit, the two countries border commissions met on August 5. The two sides discussed and reviewed the progress in the survey of a 236-km long thalweg, which will be the national common border between the two countries. The thalweg survey started in the last dry season and is now completed. Also completed was the ground survey, while the installation of 172 border posts is 90 per cent fulfilled.

In this session, the two sides expressed their pleasure with the result of the survey of the joint border conducted by the two countries' commissions.

The session also discussed the joint operation during this year's dry season to finish the rest of the work done in the last dry season, and reviewed the contents of seven annexed documents to the agreement on the border demarcation between Laos and Myanmar.

Mr. Ouan Phommachak, deputy head of the Department II of the Foreign Ministry, elaborated the review work of the seven documents dealing at boundary maps, geographical location and maintenance of border posts. The overall work on the boundary demarcation between the two countries is to be completed within this year.

Border Commission Meeting Detailed

*BK0708103692 Vientiane KPL in English
0908 GMT 7 Aug 92*

[Text] Vientiane, August 7 (KPL)—The third session of the Joint Border Commissions of Laos and Myanmar [Burma] opened at the Lan Xang hotel, Vientiane, on 5 August afternoon.

The Lao side was led by Mr. Souban Salitthilat, deputy foreign minister and chairman of the Laos-Myanmar Joint Border Commission, and the Myanmar side was led by U Ohn Gyaw, minister of foreign affairs of Myanmar and chairman of the Myanmar-Laos Joint Border Commission.

According to Mr. Ouan Phommachak, deputy director of the Department-2, Ministry of Foreign Affairs, the sides discussed and reviewed the progress in the survey of a 236-km long thalweg, which will be the national common border between the two countries. The thalweg survey started in the last dry season and is now completed. Also completed was the ground survey, while the installation of 172 border posts is 90 per cent fulfilled.

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Mr. Ouan Phommachak also elaborated the review work of the seven documents dealing with boundary maps, geographical location of the border posts, and maintenance of border posts. The overall work on the boundary demarcation between the two countries is to be completed within this year.

Lao, Thai Border Security Teams Hold Discussions

*BK0808101092 Vientiane KPL in English
0921 GMT 8 Aug 92*

[Text] Vientiane, August 8 (KPL)—The task teams under the cooperation committees for security along Lao-Thai border, on August 6, held their monthly meeting in Udon [Thani Province], Thailand, to jointly review their operation and cooperation over the past month in security along the common border of the two countries.

The meeting was co-chaired by Colonel Phommachak, head of the Lao team, and by Colonel Banthit Niantham, head of the Thai team.

The sides were of the view that the cooperation in the border security over the past month was implemented on the basis of neighbourly spirit. They also discussed ways to ease difficulties in some areas of the common border.

Both sides accepted each other's proposals for further consideration and solution. The heads of the teams congratulated the police officers of the two countries over their close cooperation in suppressing bad elements causing troubles to bordering people.

To normalise the situation along the border, the sides agreed that Vientiane and Loei Provinces hold in Sanakham [in Laos] on September 24 a meeting which is similar to that held early last month between Nong Khai and Bolikhamsai Provinces.

Upland Farming Damaged by Drought in Luang Namtha

BK0708102592 Vientiane KPL in English 0915 GMT 7 Aug 92

[Text] Vientiane, August 7 (KPL)—In this rainy season, the northern Luang Namtha Province has been seriously stricken by drought, damaging more than 4,800 ha [hectare] upland farming and leaving over 1,000 ha paddy fields unsuitable for transplantation. The most serious areas are on the plains of Luang Namtha and Meuang Sing.

Faced with the threat, the provincial administration on the 4th of August urgently formed a 10-member antidrought committee under the direct guidance of it vice provincial governor.

The provincial administration called on the general public in the province to contribute funds and labour to drought fighting.

Philippines

Forces Moved To Respond to SRV Spratly Drilling

HK1008061292 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 10 Aug 92

[Text] The Armed Forces of the Philippines [AFP] has deployed additional forces to the Kalayaan Island Group. The move was taken in light of China's continued oil drilling operations [in the Spratlys].

The Philippine Air Force [PAF] has also sent two fighter planes to reinforce the Marine contingent that left earlier for the islands. According to PAF Chief Leopoldo Acut, the move is in line with order of AFP Chief General Lisandro Abadia.

Security Plan 'Could' Retain Anticoup Force

HK1008031792 Manila PHILIPPINE DAILY INQUIRER in English 8 Aug 92 pp 1, 10

[By Tony S. Begornia]

[Text] Mercenaries hired as an anti-coup force during the Aquino administration could make up the civilian security units envisioned under President Ramos' Administrative Order [AO] No. 2, two senators said yesterday.

Senators Blas Ople and Ernesto Herrera said these armed civilians were likely to be retained should the Ramos administration implement a plan to create civilian security units in every department and local government unit.

The armed civilians were hired by local government officials who wanted to help foil attempts by rightist military rebels to topple the Aquino administration.

Ople said these "quasi-private armies" are now under the care of the mayors and governors who hired them. "They belong to neither the (Philippine National Police) nor the (Armed Forces) and are responsible only to the appointing authority," Ople said.

He estimated that there are 150 of these armed civilians in Makati, about 200 in Manila, and 200-300 in Quezon City.

Herrera recalled that Justice Secretary Franklin Drilon opposed a plan in 1988 and 1989 to organize and put in place a network of armed civilian agents.

"Now I can understand how Drilon (felt)," Ople said.

The plan to set up civilian security units falls under an administrative order which also expands the powers of the National Security Council to include intelligence work on economic and finance offices of the government.

Senators have expressed apprehension that this order signals a drift of the Ramos administration towards authoritarian rule.

Mr Ramos has denied this perceived drift, but senators said the implications of AO 2 should be unveiled if the Ramos administration really wanted to allay such fears.

Sen. Orlando Mercado, chairman of the Senate defense committee, set a series of public hearings on the plan to place a "spy network" in all departments and offices of the government.

"Reasonable requirements of good government insofar as intelligence gathering is concerned should be balanced with respect for the constitutionally guaranteed freedoms and rights of the citizens," Mercado said in a press statement.

Herrera added that should the Senate investigation push through, the defense committee should invite Drilon to explain why he objected to the plan to establish a spy network in the government, which is believed to be the brainchild of retired Brig. Gen. Jose Almonte.

MNLF Rejects Ramos Amnesty, Prefers Peace Talks

HK0908065792 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 8 Aug 92

[Text] Moro National Liberation Front [MNLF] officials, rejecting the Ramos administration's amnesty offer, said the guidelines of the government's amnesty offer were contrary to the Bangsa Moro's [Muslim Nation] beliefs.

Hadji Tilas, Bangsa Moro head, said the Ramos government lacks understanding with regard to the Muslim movement's genuine wants for the Mindanao region.

He called on the government to continue with the peace talks it has started with the MNLF, adding that only a political settlement, achieved through these talks, would solve the problem of the Mindanao people.

Local Government Department Appointments

HK0708144392 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 7 Aug 92

[By Alan Allanigue]

[Text] Secretary Rafael Alunan of the Department of the Interior and Local Government [DILG] announced today the appointment of Yolanda M. de Leon and George Walter Misa as DILG assistant secretaries.

Alunan said De Leon, who was inducted into office last Tuesday [4 Aug], will serve as assistant secretary for plans and programs, while Misa will serve as assistant secretary for administrative and human resources development.

Alunan added that the appointment of the two completed the DILG roster of assistant secretaries. Republic Act 6975, the law that created DILG from the former Department of Local Government, requires the agency to have three assistant secretaries who are career executive service officers.

The other assistant secretary is retired Colonel Simeon Ventura, assistant secretary for controllership.

De Leon, 48, served as chief executive assistant of the Department of Tourism from October 1987 until her transfer to the DILG.

Misa, who finished his Bachelor of Arts in Sociology at the Ateneo de Manila University, has served DILG since 1988 as assistant secretary for legislative liaison. In this position, he played a big role in the deliberation and passage of the Local Government Code of 1991.

Thailand

Anan Interview on Upcoming Election, Other Issues

BK1008075092 Bangkok BANGKOK POST in English 10 Aug 92 pp 4,5

[Report on an interview with Prime Minister Anan Panyarachun by Kanchana Spindler, carried within the "In Character" column; date, place not given]

[Text] Entered a distinguished looking gentleman in an impeccable charcoal-grey suit. Quickly, the icy atmosphere in that splendid reception room in the Neo-Gothic premises known to all Thais as the Thai Koofah building was automatically transformed into a toasty-warm ambience.

There's something about Prime Minister Anan Panyarachun's presence that exudes such an effect. The way he charged into the reception area of his office three years ago to talk to In Character as the high-powered chairman of the multi-billion baht Saha Union conglomerate, and as leader of the state now, hardly differs. The courteousness. The beaming smile that often camouflages the seriousness. That characteristic chuckling. They are all there—more or less intact.

The "visionary-turned-great-political-figure", as one diplomat describes him, articulated his many views with the same vigour as before. At 61, the same beliefs and convictions as far as politics goes hold for the Cambridge-educated (Law—Trinity College) prime minister and four-time ambassador.

Like classical music composition, Mr Anan who was chairman of the Bureaucratic Reform Committee during the Chatchai government, says there're "always grey areas". Nothing is ever black or white in Thai society. It's not in the Thai nature to do things systematically, he indicated in his last interview with In Character. And had we done things systematically we would not have been "that successful", he added.

This thematic conception of course reflects itself in the few so-called "unexpectedly bold" actions the prime minister has taken both on the Saturday before last and a little earlier on.

Authorising the transfer of the key military officers believed to have been directly involved in the May massacre of pro-democracy demonstrators to what some militarists describe as "non-active posts" is, for certain, an unsystematic exercise for a Thai prime minister.

"I think the present trend in the world is that you move away from all authoritarian regimes....I happen to believe that no country can afford to run against this trend", he pointed out in his last interview.

The second time around, his "dispassionate" and "objective" attitudes which he developed in the past toward things political, and naturally Thai, become much more apparent. General questions that most probably occupy the minds of average Thai citizens these days in fact are handled with dexterity by the man who, as many political observers say, is "wanted" by more than a couple of institutions to "head the next government."

IC: There is a strong possibility that there will be a sharp divergence between urban and rural voters in the upcoming election. Whilst the so-called pro-democracy parties are expected to sweep Bangkok, traditional party politics and the old-style parties will continue to dominate the countryside. Firstly, do you think the people of Bangkok will accept the will of the rural majority, whatever it turns out to be? Secondly, what ideas do you have to bridge this gap in political awareness? After all, the divide reflects both an economic and political discrepancy between the two sectors.

PM: Winston Churchill once said that democracy is not the best system and yet there's no better alternative. So I think it's incumbent on the Thai people to appreciate the true significance of a democratic regime. Democracy has never been known to produce the most competent or effective government. Democracy has set objectives based on several principles one of which of course is the voice of the people that would rule the country. So, if you accept that principle which is part and parcel of the democratic regime, we just have to accept the voice of the people—be it from the rural or metropolitan areas. The composition in Parliament and the quality of the government is, thus, a reflection of the average standard of the people. And the second principle is that you have to accept the majority rule. Once the voice of the people are heard then it's not correct to say that we don't have to abide by the views of the majority which are different from your own view. I think that every society has its own dynamism. Each society is constantly changing for the better. I personally do not believe that we'll get exactly the same results on the election on September 13 as we did have three or four months ago. I think there'll be a lot of differences. First of all, I think that the so-called old-faced politicians are not stupid people. Those who were elected in the past elections knew what society has been going through in the last few months and if we have a little more trust and a little more confidence in these people I'm sure that many of them, if not all of them, would have to adjust their attitudes to conform with the new realities, political and social realities. So the first point I'd like to make is that there'll be some attitudinal change. Secondly, I think events in May could become an important catalyst of change in the direction we all hope for. The momentum of change is there. The present government is doing its best to maintain this momentum. And the third point is—when I talk about momemtum of change I'm also talking about the increased political awareness, greater participation of the people in the political process—there'll be new faces. New faces who will contribute to more positive development of the election process. And the last point, all political parties and candidates will have to focus more on the issues rather than on the insignificant detail of political life.

In short, I'm still hopeful that in spite of the differences in the social values and social norms between rural and urban people, I'm not so concerned about that gap. The gap will remain. The important thing is that as time goes by we should try to reduce the gap. But that's the process which cannot be effected overnight. I think all Thai people—the urban people will have to learn to respect the choices of the rural people. And the rural people will have to learn to respect the choices of the urban people. A democratic society must be based on the average value of its own populace.

IC: Can you give us any sense of the contents of Gen Phichit's Committee's report on the May massacre?

PM: This is the committee set up by the Defence Ministry consisting of military figures and the full contents of course are not being revealed now. But I can tell what the conclusions were. The first conclusion is that the military commanders followed the procedures then, or they acted in accordance with the procedures as existed then. And having followed the procedures as they existed then there's nothing illegal about their actions. The second conclusion is that because of lack of coordination, because of poor intelligence, or their reliance on one channel of intelligence which was not credible and a few other factors which were contributable to the air of judgement and since there was an air of judgement on the part of some commanders, they should be made to accept the political responsibility for the very explosive situation and they made recommendations that for short term measure, certain military figures in command should be changed, or rotated. They also recommended some other measures for the longer term.

IC: Will this report and the government one ever be made public?

PM: The report from the committee set up by the government is expected to reach my desk around the mid of August.

IC: Will it ever be made public?

PM: I cannot say off-hand because I have to see the report first. But my own personal position as of now is that I see nothing wrong with the revelation of the report. Whether it will be released in total, that is another matter because there might be some matters which, for security reasons or whatever reasons, might have to be sort of kept under wraps for a certain time. I cannot say right now as to whether the report is going to be released in total but I'm quite confident that the major part of the report can be released to the public.

IC: During your term?

PM: Yes.

IC: There are of course at the moment many rumours sweeping the city about an embittered military preparing to retaliate—a number of pro-democracy activists have reportedly received death threats, the police have informed at least one highly-respected academic who is known for his democratic views that a contract has been taken out on him. What can be done to reduce or eradicate this atmosphere of tension and threat?

PM: In every society you get crank calls, you know, telephone death threats. In Thailand this culture seems to be more widespread than the others....I think one has to understand that what I did (reshuffling military top brass)—at least with my own views and convictions—I did it for the nation as a whole. When I accepted the job as prime minister for the second time there were three specific matters that were designated for me....I've done the first part and the second mandate....I can say that that part of the job (rehabilitating the country's economy and correcting the image of the country) is being done fairly effectively....So with the third mandate....it was not my intention to treat that particular act as an act of retribution. It was not my intention, in fact far from it, that I wanted to show my 'personal courage'. That factor never entered into my mind. But I thought the reshuffling of the military figures would pave the way toward the final phase of the restoration of confidence in our society. I hope that the individuals who were affected by those changes would see my act in that light and would try to understand my motivations and rationale. It was not designed to be a heroic act. It was not designed to be an act which would gain me personal popularity, and I didn't come to this conclusion lightly. I studied the report of the Defence Ministry quite thoroughly. I asked questions. I asked for clarifications and I was merely acting on the recommendations of the committee consisting of military peers....I think and I hope that while certain individuals might have been hurt, particularly psychologically, they would give the benefit of the doubt that I was not out to crucify them....

IC: There have been printed reports that your initial appointments list left ACM [Air Chief Marshal] Kaset as supreme commander and that his name was replaced by Gen Prem. Is that true?

PM: I can't tell you anything on this. Never believe everything that the paper prints, just what's newsworthy is the final list. Don't read too many things into it.

IC: Do you feel that the Thai people in general are satisfied that justice has been served by the removal of these military officers....

PM: A political solution will never satisfy all people all the time. It's not a 100 percent fool-proof solution. When a society has gone through this very traumatic experience it's not possible to seek a legal solution. You have seen similar events taking place in other countries....It's alright for historians to keep on debating and arguing and analysing. But in the meantime the nation, a society must live on, and we just cannot afford to be overly obsessed with the so-called 'truth'. We just have to try to seek a political solution which gradually would bring back normalcy to society.

IC: On this topic again, do you think additional pressure will build up after the election in Parliament?

PM: I cannot tell what the future holds for us. But I think the latest move has helped to pacify the country. I think each sector of our nation has to keep on trying to adjust itself to the new realities and I think efforts are being made by all parties concerned—be it the military, or the pro-democracy movement or what not. They just have to learn to come to terms with the new reality.

IC: Compromise, in other words?

PM: Well, compromise is not a liability in a society. But as I said before, you cannot compromise between right and wrong. You cannot compromise between principles. But an event of this kind is never a black or white issue. There's always a grey area. The main thing is that we should not arrogate to ourselves right to become prosecutors, arbiters, or a judge....

IC: If you had a magic wand and could immediately effect three changes of any type in Thailand today, what would be the first three most important items on your agenda?

PM: I don't have a magic wand. I'd rather not be drawn into this type of game (laughter). I have to keep my feet firmly on the ground (chuckling).

IC: You are twice now prime minister by accident. Is there any situation you can foresee where you will be prepared to respond to a call to serve the nation once again?

PM: Accidents happen rather suddenly....My basic stand is that I don't see circumstances in which another accident is going to happen to me. But at the same time, who knows when the accident is going to happen to you....I'm not trying to be flippant about this sort of thing. I'm not cut out to be a public figure and I do not enjoy public life. I don't anticipate anything. I'm totally void of any idea or aspirations about my own political future. I just want to be able to go back home and look after my grandchildren....

IC: Given the military-inspired disasters that have twice precipitated Mr Anan into the hot seat of national leadership, there are few Thais who would wish for his return a third time under similar circumstances. Nevertheless, Prime Minister Anan has set such high standards of performance against which democratically elected national leaders will inevitably be judged that the people will need patience and a belief in the long-term viability of the democratic system if they are to accept the less than perfect compromises that will follow the September 13 election. In the end it is up to us, the voters. The primary responsibility rests with us.

Makes 'About-Face' on Probe Findings Release

BK1008092192 Bangkok THE NATION in English 10 Aug 92 p A2

[Text] The Defence Ministry would decide whether the results of its investigation into the Ratchdamnoen massacre should be made public, Prime Minister Anan Panyarachun said yesterday. Earlier Anan had said he would release the outcome of the probe which influenced the recnet dramatic military reshuffle.

The interim prime minister made the about-face while urging political parties campaigning for the September general election to refrain from "overheating" the political temperature by using the May incidents to attack one another.

"It's difficult during election campaigns to prevent politicians (from making the May bloodbath an issue)," Anan said. "But I want to see everybody keeping calm and thinking that Thailand is a reconcilable society where ideological conflicts don't mean hostility."

Asked if he would summon the political leaders for a "ceasefire" meeting, Anan said: "They all are senior and I'm not in a position to teach them."

The prime minister said he and Defence Minister Banchop Bunnak had agreed that the recently-completed investigation into the bloody crackdown on prodemocracy demonstrators on Ratchdamnoen Avenue was a Defence Ministry matter.

"Therefore, it's up to the Defence Ministry to decide whether the outcome of the investigation should be disclosed and to what extent," Anan said.

He alluded to the investigation results more than a week ago when he announced the transfer to less active posts of military leaders blamed for the bloodshed. Anan said then there had been "excessive use of force" to quell the May anti-military uprising.

Military Deployed in Provinces for Elections

BK0908022892 Bangkok BANGKOK POST in English 9 Aug 92 pp 1, 3

[Text] Police Commandos arrived in Chon Buri and Surin provinces yesterday as part of the Interior Ministry's drive to ensure a clean and fair general election. The fully-armed commandos, from the Crime Suppression Division [CSD], will help local and Border Patrol police crack down on hired gunmen, influential persons wielding "dark influences", and other criminals.

Chon Buri and Surin were targeted for the drive after both became hot spots when two municipal mayors were gunned down in broad daylight. The motive for the attacks is believed to be related to the election. The company-strong task force, code-named nuai sayop ripu satan ("vanquishing the enemy"), will maintain a presence in both provinces over the next four weeks. The commandos will operate in rapid deployment units in concert with contingents from Border Patrol and local police. Four of the units will be active in Chon Buri on the Eastern Seaboard and another two in Surin in the Northeast, police said.

Pol Col Chumphon Munmai commander of the CSD's 2nd Sub-division, said the CSD had received requests from the two provinces for the special police units. The daring killings of the two mayors shook the morale of local people, he said. In Surin Province last month the mayor and two people travelling with him in a car were killed by a remote-controlled bomb. In Chon Buri's Ban Bung District, a municipal mayor was killed when his car was sprayed with bullets by gunmen armed with assault rifles.

The special police units will act with local police, but at times may take orders directly from senior officers who may give them special assignments.

Meanwhile, on August 10-11 senior police officers from 250 police subdivisions nationwide will hold a meeting with academics and officials from the PollWatch committee. They will discuss measures to ensure that the election is clean and fair.

Pol Maj-Gen Chanwuth Watcharaphuk, commander of the Police Research and Planning Division, said the meeting will discuss plans to reduce the influence of local "godfathers", to crack down on hired gunmen and to prevent vote-buying. Participants will thrash out any legal ambiguities arising from their work in connection with the election.

The meeting, at the Rama Gardens Hotel, will be opened by Deputy Prime Minister and Interior-Minister Gen Phao Sarasin. Police will be instructed to comply strictly with the ministry's policy for them to remain neutral and to perform their duty during the election period with honesty.

In another development, 1st Special Branch Police Division commander Maj-Gen Yothin Matayomnan predicted that despite the stepped-up campaign against vote-buying, the practice will continue on an even larger scale.

And the Phalang Tham Party has sought police protection for its candidate in Sisaket Province. This follows an attack on his pickup truck and a death threat from an unidentified telephone caller on Friday night. The candidate, Mana Mahasuwirachai, said the request for police protection was made by the party's provincial executive committee, which met after the incident.

Dr Mana said he and his campaign manager had parked the pickup truck near a wedding party they attended in Muang District. They found on their return that someone had smashed the windscreen and pierced a rear tyre. He said he later received a call from a man who told him to keep a low profile and withdraw from the election.

Dr Mana, seen as a possible winner of Constituency 1, said he is not afraid, but the party wanted protection for him just in case.

Special Branch Bureau commissioner Pol Lt-Gen Phaibun Kunlawanit said most party leaders had sought police protection.

PollWatch Issues List of Suspected Vote-Buyers

BK0908032092 Bangkok BANGKOK POST in English 9 Aug 92 p 2

[Text] The Chat Thai Party has the largest number of candidates for the September election who are suspected of vote-buying during the March election, according to PollWatch observation sub-committee secretary-general Assistant Professor Somchai Sisutthiyakon. He revealed a list of 146 candidates who will come under special scrutiny from PollWatch's provincial committee.

The report alleged vote-buying candidates in the previous election either ran for—or are now with—the following: 41 for Chat Thai; 38 for various parties but now with Chat Phatthana [CPP]; 25 for New Aspiration; 15 Democrats; 13 Social Action; 5 Prachakon Thai; 4 Muanchon; 2 Phalang Tham [PTP] and 1 each from Solidarity, Ratsadon and Phalang Prachachon. The report includes only candidates who are standing again.

Chat Thai's tally is highest but the report states this is because these politicians ran for different parties in the last election before joining Chat Thai for the September poll. Chat Phatthana is a new party which drew members from many other parties, Asst Prof Somchai said.

PollWatch spokesman Dr Chira Hongladarom said PollWatch will ask the Thailand Bank Association to cooperate in providing information on transfers involving candidates' accounts in order to thwart vote- buying through such means.

Former PTP leader Maj-Gen Chamlong Simuang said the PTP strongly opposes vote-buying and any members who engage in the practice will be sacked.

—CPP leader Gen Chatchai Chunhawan, reacting to the PollWatch's reports last night, said the allegation against his party was unfair because his party could not have bought any vote in the last election, having just been formed into a party. He said he could not be made to take the responsibility for the conduct of some politicians who have joined him from other parties.

Chasm Between Phalang Tham, Democrats Increasing

BK1008022292 Bangkok THE NATION in English 10 Aug 92 p A1

[Text] The Phalang Tham and Democrat parties, once political allies, yesterday stepped closer to all-out attacks on each other in their election campaigns. Democrat leader Chuan Likphai and Phalang Tham de-facto leader Chamlong Srimuang shook hands at the end of a political discussion at the Siam City Hotel last night, but their openly polite attitude did not seem to dampen speculation about a fierce showdown.

"We have agreed not to attack each other," Chamlong told the audience. "But when it comes to telling the truth it's another matter." Chuan downplayed the reported conflict which he implied was triggered by Phalang Tham.

We don't take it seriously. Unlike the Democrat, which has seen many summers, Phalang Tham is a new party which doesn't have our experience, the Democrat leader said. The looming war—which promises to benefit their political rivals was earlier underlined by Democrat spokesman Churin Laksanawisit who accused Chamlong of having criticized the Democrats last week.

Churin said a senior politician like Chamlong should not have used this method of attacking others in his campaign. While campaigning for Phalang Tham candidates in northeastern provinces on Wednesday, Chamlong quoted a foreign reporter as praising his party for overthrowing a dictatorial regime within 48 days although the party had been set up only four years ago. The quote also indirectly referred to the Democrats for having failed to do the same although the Democrat Party had been established 48 years ago. Chamlong's statement was seized on by the press which said he had publicly attacked his former ally.

Chamlong on Saturday insisted he was only quoting the foreign reporter, who he said tried to defend Phalang Tham against an allegation by "a former ally" that his party was responsible for the casualties during the anti-Suchinda demonstrations. Political rivals have held Chamlong partly responsible for the bloodshed during the popular uprising in May because of his decision to move the demonstration site from Sanam Luang to Govemment House.

The Democrat, Phalang Tham, New Aspiration and Solidarity parties fought together during the pro-democracy uprising in May, and the allies had vowed to stick together in a bid to form a post-election govemment. Churin said although Phalang Tham's controversial campaign statement did not originate from Chamlong, "the fact that he repeated it showed that he intended to use it to boast about his party.

Before the Siam City Hotel meeting, Chuan did not rule out counter-attacks by the Democrats. "I've told my party members to avoid criticizing other parties, if possible," he said. Two weeks ago, Democrat candidate Samphan Thongsamak opened his election campaign in the southern province of Nakhon Si Thammarat by attacking Chamlong. Samphan alleged that Chamlong had betrayed political allies by stealing the show only for himself during the anti-Suchinda rallies. Samphan also criticized Chamlong for failing to keep his fast-to-death vow in his campaign against Suchinda.

During a political campaign at Sanam Luang last Monday another Democrat candidate, Chiewsak Yongtrakun, publicly attacked Chamlong again for being "aggressive" and "self-centred". Earlier, former Democrat MP for Bangkok Aphisit Wechachiwa gave an interview to AGENCE FRANCE-PRESSE during which he criticized Chamlong. Aphisit said Chamlong wanted to play on a public belief that anybody who does not drink nor smoke is a good man.

Political observers said the trading of criticism between the parties would thwart their attempts to expand political bases beyond their strongholds, especially into the northeastern region. The region is known to be dominated by parties of the former pro-military coalition, which are expected to capitalize on the conflicts between the former allies.

The Democrat Party is apparently trying to regain its political base in Bangkok which is now Phalang Tham's stronghold. Phalang Tham, meanwhile, is trying to penetrate the Democrat-dominated southern provinces. Chuan and Chamlong are strong contenders for the premiership, and their parties' election campaigns have focused on the individual charisma of the leaders.

Government Applies for Nonaligned Observer Status

BK1008024292 Bangkok THE NATION in English 10 Aug 92 p A1

[Text] Thailand has applied for observer status at the upcoming summit of the Non-Aligned Movement (NAM) in Indonesia as part of its search for new friends and alternatives in the post-Cold War world.

"We are looking for new options and new friends," said Witthaya Wechachiwa, permanent secretary for foreign affairs.

The Foreign Ministry also plans to send representatives to observe the NAM summit to be held in Jakarta from Sept 1 to 6.

Witthaya told the Nation that the 105- member movement today is different from the past, when it was dominated by communist countries and full of rhetoric.

"It is a new NAM looking for a new role; it is more pragmatic," he said.

The move to become a NAM observer came last month after the idea had been shelved for more than three decades since the early 1960s.

After the Cold War, we know that Thailand needs to adjust to a rapidly changing environment," Witthaya said.

A few days after the decision was made, Foreign Minister Asa Sarasin held talks about the possibility of being a NAM observer in Manila during the Asean meeting with Indonesian Foreign Minister Ali Alatas, who is currently the chairman of NAM.

Alatas's response was very positive and Indonesia will invite Thailand to attend the NAM summit meeting as a guest, said a senior Foreign Ministry official.

Meanwhile, the Thai mission to the United Nations has began lobbying to garner support from NAM members. The mission also informed a NAM coordination committee at the UN headquarters in New York about Thailand's intention.

Thailand's eagerness comes at a time when another Asean country, the Philippines, has applied to become a NAM member after being an observer for several years.

Manila's desire is now being realized as American forces are leaving the Subic naval base.

Its long-standing application had been rejected because of the presence of US military bases in the Philippines.

Although Thailand is qualified to join NAM because it has not hosted any foreign bases since the departure of US forces in 1976, until recently Bangkok had not shown any interest in becoming affiliated with the movement. Malaysia, Singapore and Indonesia are also members of the grouping which has a total of 105 members from developing countries around the world.

NAM was established in 1961 at Belgrade during the height of East-West tension as a movement to represent the interest of the developing countries.

Over the years, radical and communist countries tried to wean NAM towards the pro-communist camp. After the collapse of European communism and rapid political changes around the world, efforts have been made to make NAM more neutral and less anti-Western and to take up more diversified issues.

"Until now Thailand has had only Asean and the United Nations," said Witthaya. Referring to Thailand's membership of the Association of Southeast Asian Nations and the world body.

The Cambodian peace settlement meant that NAM members from Asean and Indochina would not be locked in heated debate over the issue again as they had since Vietnamese troops invaded Cambodia in 1978, Witthaya said.

Paper Examines New Nonaligned Policy

BK1008051692 Bangkok THE NATION in English 10 Aug 92 p A6

[By Kawi Chongkitthawon]

[Text] After more than three tumultuous decades that have seen enormous changes in the world, Thailand has come to terms with the Non-Aligned Movement (Nam). Last week it officially applied for observer status at the Nam summit conference to be held in Jakarta on Sept 1-6.

To understand Thailand's decision and future policy toward Nam is to comprehend the nation's history of diplomacy since the 1950s and its current endeavour to become a respected and independent voice in the increasingly inter-dependent world.

Although Thailand played an active role in the Bandung conference of Afro-Asian states in 1955, which later gave birth to Nam, the country was not accepted by nations which had just won independence from Western colonial powers because they felt Thailand was too closely identified with the West.

Ever since, Thailand's diplomacy has been confined to a pro-Western stance. From the beginning of the Cold War until a few years ago, Thailand faithfully served the United States' containment policy, which sought to limit the spread of the communist "menace" in the region following the communist takeover in mainland China.

Consequently, Washington's anti-communist campaign led Thailand to join the now defunct regional security organization, the Southeast Asian Treaty Organization (Seato). Given Thailand's strategic importance at that time the United States poured in millions of dollars in economic and military aid to support Thai regimes.

With so much US assistance at stake, especially during 1950-75, Thailand was more like a US satellite than an independent state. The leaders of Thailand during that period believed it was the only way to combat the problem of insurgency and survive in a bipolar world which was dominated by the free world led by Washington and the communist world by Moscow.

As a close ally of the United States Thailand was then ignored by other developing countries. They frowned upon Bangkok, which they considered "an American running dog"—a popular term of derogatory political jargon at the time. It was not until the Nixon Doctrine was put into practice in early 1970s that allowed Thailand to contemplate its own foreign policy direction, with lesser influence from Washington. The US troop withdrawal from Thailand and the victory of communism in Indochina in mid-1970s made Thailand more assertive diplomatically.

With the help of Asean, Bangkok successfully used Vietnam's invasion of Cambodia in December 1978 to make its voice heard as a regional trontline state. Instability in Indochina benefitted Thailand politically and economically throughout the 1980s.

Now, with a strong economy and an outward-looking foreign policy, Thailand is formulating a broad-based diplomacy that will consolidate its ties with the 105 developing nations in the Non-Aligned Movement.

In the past, Thailand has tried to avoid any association with international organizations considered anti-Western. Thailand has never joined a Third World organization. The closest thing Bangkok has to do with the Third World is as a member of an ad-hoc group, Group 77, established to coordinate efforts of developing countries in the United Nations on economic matters.

"Until now, Thailand has only Asean and the United Nations," said Witthaya Wechachiwa, permanent secretary for foreign affairs. "We are looking for new options and new friends."

In comparison, he said, other Asean countries are active in Third World international organizations such as the South-South Forum, the Organization of Islamic Conference, the Non-Aligned Movement, and the Commonwealth of Nations which includes many Third World countries.

He said in the post-Cold War era Thailand must forge new friends among developing countries in Africa, Latin America and other regions. The world, he said, is no longer polarized by the rivalry of two superpowers.

Bangkok's new-found eagerness is a direct response to the end of Cold War and the subsequent rapid changes in the global political environment. Like many countries, Thailand, which is also now free of the complications of the East-West struggle, is looking for new friends, not necessarily rich and powerful ones.

Private discussions with top policymakers in various ministries, including foreign affairs and commerce, as well as security-related government agencies, revealed a strong sentiment to free Thailand from the political influence of the United States. Deep down these Thai leaders, particularly foreign ministry officials, consoled themselves with the hope that closer association with Nam would enable Thailand to break away from a stereotype as an ally of the United States.

Never before has Thailand felt so uneasy about its ties with the United' States. At this juncture, Thailand is no longer beckoning for US aid or awaiting Washington's support on key foreign issues. Last year, Foreign Minister Asa Sarasin even down played the importance of US aid saying it was even less than the amount of aid Thailand gave to Laos.

Thailand is determined to move ahead and find its place in the world on its own, without US guidance. That helps explain why Thai officials are very enthusiastic in reviewing present Thai-US relations. They are talking about an equal partnership, no longer the patron-client relationship that characterized the past.

"If the US is asking Thailand whether we are with them now, we will say, 'Hell, no'," said a middle-ranking Foreign Ministry official with a grin.

Viewed from that context, Thailand's link with Nam is different from that of its Asean counterparts, such as Malaysia or Indonesia, which see the movement as the only organization powerful enough to bargain with rich or industrialized countries on trade and environmental issues. Malaysia and Indonesia are leading Asean and Nam countries which have articulated this view about the relevancy of Nam vis-a-vis the richer countries.

In the future, Thailand envisages its ties with Nam as multi-faceted—not simply as a political vehicle to establish dialogue with like-minded developing countries. Facing protectionist trade measures from the West in general, Thailand is constantly searching for new export markets. Nam countries, despite having lesser purchasing power, are nonetheless potential markets for Thai products that encounter more and more obstacles in entering traditional markets in the United States and Europe.

With annual foreign assistance worth Bt [baht] 200 million, Thailand is gradually becoming a donor country. Thai aid programmes can be supplemented by providing training programmes for officials and technicians from Nam countries.

With a formal link to Nam, Thailand's long-held handicaps against the Third World would come to an end. Whenever Nam members met in the past, Thailand would be in the dark trying to figure out what had transpired during the meetings. Thai foreign ministry officials had spent frustrating hous looking for access to the outcome of such meetings.

"Sometimes when we wanted to find out about Vietnam's resolution on Cambodia at a Nam meeting, we did not know where to go," said a senior Foreign Ministry official, monitoring the movement.

For the time being, Thailand would be satisfied with observer status, awaiting Nam to redefine its own role. Many Thai officials believe it will take a few more years for Thailand to decide whether to become a Nam member. "We have now recognized the Nonaligned Movement, but we still have to wait and see where it is heading" said Witthaya.

He said Nam must adjust to the new world situation.

With Indonesia currently in charge of Nam, Thailand feels more comfortable in associating with the movement. At the very least, it is confident that "nothing radical" will emerge from the upcoming summit that would jeopardize or embarrass its foreign policy objectives.

Foreign Minister Advises Burma on 'Liberalisation'

BK1008061492 Bangkok BANGKOK POST in English 10 Aug 92 p 3

[Excerpt] Thailand is trying to impress on the military leadership in Burma that its credibility hangs on its delivering promises of political liberalisation, a senior official said yesterday.

The official made the point in defence of the government's "constructive engagement" policy towards Burma, after its review was urged by a former National Security Council chief, Squadron leader Prasong Sunsiri.

"We want to engage Burma so that it eventually becomes part of the family of Southeast Asian nations," the official said.

Foreign Minister Asa Sarasin held talks on Saturday with Burmese foreign minister Ohn Gyaw, who stopped over in Bangkok on his way back from Laos.

The two "touched base" on bilateral issues and discussed recent meetings in Manila of foreign ministers of the Association of Southeast Asian Nations (ASEAN) and their dialogue partners, the official said.

The Thai side tried to impress on the Burmese minister the need for Rangoon to "deliver in deed all that it has said in words" on the matter of political liberalisation, the official said. In so doing, Thailand made clear it had no intention of intervening in Burma's internal affairs.

"We stressed that Rangoon's credibility depends on its making good on its promises to its people, as the world community is watching closely, especially since we have spoken of the positive developments that have taken place there," the official said. [passage omitted]

Little Benefit Expected From U.S. GSP Revision

BK1008093392 Bangkok BANGKOK POST in English 10 Aug 92 p 23

[Text] Thailand will enjoy little benefit from the annual revision of the United States' Generalised System of Preferences [GSP] adding 106 more items to the scheme.

Foreign Trade Department Director-General Charae Chutharattanakun said only four items of Thailand's exports will enjoy the preferential tariff from the US announcement to add 106 agricultural and industrial items to receive preferential tariff under the GSP scheme. He said the items include flywheels and pulleys, Turkish tobacco leaves, articles of apparel and clothing accessories made from plastic excluding gloves, and ceramic ware. The normal customs tariffs on the items are 5.7 percent, 25.4 cents per kilogramme; 5.0 percent and 11.5 percent, respectively.

Mr Charae said the items will receive benefits because the export value is great, while other items have a very small export value to the US. He said last year the US imported $422 of flywheels and pulleys, $241,000 of ceramic ware, $5,225,000 of Turkish tobacco leaves and $2,907,000 of plastic apparel and clothing accessories from Thailand.

He said that in this year's annual revision of the US GSP scheme, Thailand also received the relaxation in withdrawal GSP of 11 items such as sweet corn, dried fruits, canned fruits and buttons of acrylic resin, which are the products that Thailand has to depend mostly on GSP preferences to keep its market share because competition is keener and the normal customs tariff rate is high. He said the US also announced the withdrawal of GSP benefit of automobile leaf springs from every country, the withdrawal does not affect Thailand's export of the item because the country's export of this item in 1991 was only $137,977 or 0.08 percent of total US imports. However, it will eliminate Thai exporters' opportunity to export the item to the US.

Mr Charae said there are 15 items which the US declined to give GSP preference back to Thailand after cutting it last year. Three out of the 15 will be adversely affected, including floor tiles, Christmas lights and soybean seeds, because the normal customs tariff rate is high and competition is strong.

Business Seeks Tax Change To Cope With AFTA

BK1008093292 Bangkok BANGKOK POST in English 10 Aug 92 p 36

[Text] The private sector has been frustrated by a Government move to negotiate with other ASEAN countries for the slowing of some sensitive sectors in the "fast track" programme.

The programme is a mechanism for creating the ASEAN Free Trade Area (AFTA).

The private sector says it wants the Government to discuss the matter before coming to such a decision.

A hot debate emerged at the latest meeting of the working group set up by the Federation of Thai Industries [FTI] to study the AFTA, chaired by Chawarat Chanwirakun, chairman of the Sino-Thai Group, last Wednesday.

Most of the members of the group disagreed with the Government's plans for the scheme.

An FTI source said the meeting agreed to propose that the Government organise a round table discussion with all related industries, especially the 15 which were put under the "fast track" programme. The best solution can then be sought for Thailand to propose to other ASEAN member countries at the Senior Economic Official's Meeting (SEOM) in Kuala Lumpur later this month.

"We wonder why the Government did not consult the private sector before making the decision, because any commitment may seriously affect our businesses," the source said.

The private sector has expressed concern about the Government's stance, for trying to persuade other ASEAN members to re-negotiate the implementation of the fast-track programme in some sensitive sectors, because it may harm the image of Thailand, the key architect of the AFTA scheme.

The working group has prepared a proposal to urge other ASEAN member countries to exclude vegetable oils from the fast track programme under the Common Effective Preferential Tariffs (CEPT) scheme, by trying to interpret the products as agricultural products.

Thailand will also ask other ASEAN countries to apply a "six minus x" principle providing an opportunity for any country to slow down its process for accelerated cutting of import tariffs on some products on the fast track.

"It is likely that the Government wants to reduce political pressure after facing strong attacks from local industry, by using a delaying tactic. But it was not a good idea to tackle it like that," said a member of the FTI's senior executive board. The source said there was no denying that some industries may be hurt by the CEPT scheme, but the decision to slow down the implementation plans did not help anything.

Instead of trying to protect local industries as at the present time, the Government should speed up the restructuring of the taxation system to comply with the AFTA concept, the source said.

"The Government should speed up to reduce the import tariffs on raw materials to be in the same range as other ASEAN member countries, so as to keep a competitive edge, because that is the weak point of Thailand," he said.

Some industrialists voiced concern that if the Government did not restructure the taxation system as fast as possible, not only would some industry sectors be damaged but the domestic market of some industries would also be hard hit, because of inability to compete with other ASEAN countries due to high import tariffs on raw materials.

"Other ASEAN countries may capture the Thai market in some sectors, such as textile and electrical appliances," the source said.

The private sector tends to believe that if import tariffs on raw materials are not restructured to comply with other ASEAN countries, there is no need to slow down the implementation plans of AFTA.

At the same time, they want the Government to clear confusion on the 40 percent local content requirement, which uses the "substantially transform" concept, because it was not practical for Thailand.

"We strongly support the creation of AFTA, because it will benefit Thailand in the long run, but it is a very complicated issue for the whole industry. The Government should try to consult the private sector more than in the past," he said.

Since the creation of AFTA early this year there has been a strong attack from some industries, which have expressed concern that they may be affected by the implementation plans of AFTA, and it is likely that the Government has yielded to their demand by trying to delay the plan .

Vietnam

Vo Van Kiet Receives UNTAC Head Akashi

BK0808153792 Hanoi VNA in English 1530 GMT 8 Aug 92

[Text] Hanoi VNA August 8—Mr. Yasushi Akashi, special envoy of the UN Secretary General, head of the UN Transitional Authority in Cambodia (UNTAC), arrived here this noon for a working visit to Vietnam.

Mr. Akashi is accompanied by Lt-General John Sanderson, commander-in-chief of the UNTAC military forces in Cambodia.

They were welcomed at the government guesthouse by Deputy Foreign Minister Vu Khoan and other high-ranking officials of the Foreign Ministry.

In the afternoon, Chairman of the Council of Ministers Vo Van Kiet received Mr. Akashi. Also present was Deputy Foreign Minister Vu Khoan.

Speaking at the reception, Chairman Vo Van Kiet welcomed Mr Akashi's visit, his first to Vietnam.

He highly appreciated the efforts of UNTAC and of the special representative himself in their recent activities aimed at guaranteeing the implementation of the Paris agreement on Cambodia, as well as the stance of UNTAC in support of Vietnam, in criticizing the Khmer Rouge for its allegation that "Vietnam still keeps its troops in Cambodia".

Chairman Vo Van Kiet expressed the concern and worries of Vietnam, a party to the Paris agreement, on the present situation in Cambodia. He also expressed his belief that despite many difficulties ahead UNTAC would fulfill its mission in accelerating the implementation of the Paris agreement, establishing a firm peace in that country.

He affirmed that the Vietnamese Government would do its best together with the other Paris agreement signatories to contribute to the peaceful process in Cambodians. [as received]

For his part Mr. Akashi thanked Chairman Kiet for his fine words on UNTAC's activities in Cambodia, and highly appreciated Vietnam's important role in ensuring a firm peace in Cambodia as well as Vietnam's consistent policy in the scrupulous implementation of the Paris agreement on Cambodia. He expressed his sympathy for Vietnam's concern on the recent developments in Cambodia caused by the Khmer Rouge faction including its failure to respect and implement the human rights. Mr. Akashi affirmed that UNTAC would fulfill its mission to ensure the peaceful process in Cambodia, and resolutely struggle against any action which is aimed at giving prerequisite for the implementation of the Paris agreement on Cambodia.

Akashi Asks Hanoi for More Support

BK0908151292 Hong Kong AFP in English 1442 GMT 9 Aug 92

[Text] Hanoi, Aug 9 (AFP)—The chief of the U.N. peacekeeping mission in Cambodia, Yasushi Akashi, on Sunday called for greater logistical support from Vietnam for U.N. Transitional Authority in Cambodia (UNTAC) operations.

"We have not found Vietnam, and more particularly Ho Chi Minh City and the southern part of Vietnam, as active as Thailand towards UNTAC," said Akashi during a press conference in Hanoi on the second day of his visit here.

"We would be happy if Vietnam could be more open to UNTAC," Akashi said, adding that, with Thailand, "Vietnam could be also very useful to UNTAC for staging and transit."

However, the UNTAC chief added he was satisfied with cooperation with Vietnam so far.

Akashi also responded to repeated allegations by the Khmer Rouge saying, "Up to now we have not found concrete evidence of the presence of foreign forces."

The Khmer Rouge have been blocking the peace plan alleging that Vietnamese troops are still present in Cambodia, despite official announcements of their retreat in September 1989.

The holdout faction has also demanded the dismantling of the Phnom Penh government, which was installed by Vietnam after its troops invaded in December 1978. The United Nations has refused the demand as it is contrary to the Paris peace accords for Cambodia signed in October 1991.

"UNTAC is also doing its best to strengthen its possibilities to control and supervise the administrative structures of the four factions, including the Phnom Penh administration," Akashi said.

Akashi also talked about the recent massacre of two Vietnamese families in southeast Cambodia by unidentified soldiers, and said that the United Nations "cannot subscribe to racism and racial discrimination."

However, he added that Cambodia was preoccupied by "the influence of its two neighbouring countries which are larger and more powerful," referring to fears held by Cambodians about Thailand's and Vietnam's intentions in the region.

Akashi met Vietnam's chief diplomat Nguyen Manh Cam on Sunday, following meetings with Prime Minister Vo Van Kiet and Deputy Foreign Minister Vu Khoan on Saturday.

The UNTAC chief was to leave Monday for the Laotian capital of Vientiane.

Commentary Views Bush Campaign for Human Rights

BK0808135592 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 31 Jul 92

[Commentary by Nguyen Chan]

[Text] According to a foreign radio report on 24 July, during his meeting in New Jersey with voters of East European origin such as Russians, Ukrainians, and Poles, President Bush said he dreamed of visiting a free Cuba and the nations of the former Soviet Union, which had once been under oppression and which had finally regained their freedom. One reason that prompted him to stand for a second term of office was his desire to accomplish national liberation worldwide. Mr. Bush also promised that there would be great opportunities for more freedom for millions of people living in Vietnam, North Korea, and China during his second term of office. He also expressed his determination to become the first U.S. president to set foot on a free and democratic Cuba.

There are three points of the U.S. president's speech to be discussed.

The first point is: It can be recognized instantly that the U.S. president wanted to win the hearts of a segment of

U.S. voters from the former Soviet Union and other East European countries, who had left their fatherlands for various reasons in search of freedom in the United States. At this juncture, Mr. Bush has no alternative other than an attempt to win the support of any single group of voters to fend off the well-organized propaganda campaign being conducted successfully by the Democratic Party and its candidate, Mr. Bill Clinton, in the race for the White House.

Psychologically, Mr. Bill Clinton's campaign has been producing remarkable results and it is clear that this has worried President Bush and his camp. In his 53-minute nomination acceptance speech, which was delivered at the Democratic Party Convention, Mr. Bill Clinton flatly criticized that the Republican Party Presidents Reagan and Bush have driven the U.S. down from being the world's No. 1 to No. 13 in per capita income terms in their 12 years in power. How could Mr. Bush and his camp remain unperturbed when the Democratic candidate declared that it is time for a change in the United States, and that if Mr. Bush finds himself to be incapable of running this big country, he should step aside, and so forth.

The second point is that Mr. Bush once again appeared to be concerned about human rights in socialist countries. Regrettably, with this move, the incumbent president has interfered in the internal affairs of sovereign UN member-countries, including China, now a standing member of the UN Security Council. In Cuba, Vietnam, the DRPK, and the PRC, the people have gloriously accomplished their national liberation and are persistently pursuing the socialist path they have chosen for themselves. Despite the crumbling of the socialist models of the former Soviet Union and Eastern Europe, the people of Cuba, Vietnam, the DPRK, and the PRC do not need the kind of liberation that Mr. Bush wishes to achieve.

By the way, it is necessary for us to recall several recent events that show the extent to which the people of the world have become worried and indignant whenever they hear U.S. officials speak of rhetorics such as liberation, democracy, and human rights.

In Kuwait, Mr. 'Abd-al-'Aziz al-Masa'id, chairman of the National Assembly, denounced the U.S. ambassador in Kuwait for having interfered in the internal affairs of his country. His Excellency the U.S. ambassador had held many suspicious meetings with the opposition to discuss political and human rights issues—something Mr. al-Masa'id believes cannot be permitted in the United States. The Kuwaiti official also pointed out that the recent anti-Iraq war conducted by the United States was aimed at merely protecting U.S. interests in the region rather than at liberating Kuwait.

When observing the U.S.-style of democracy and human rights, the French newspaper L' HUMANITE said:

These have been the seeds of the emotional outburts in which Los Angeles is a case in point: Over 30 million people are still living in poverty, some 10 million children are not entitled to social security benefits, massive lay-offs, purchasing power reduced by 24 percent over the past 10 years, cuts in public spending, and a policy that benefits only the rich.

A Jordanian newspaper suggested that the Bush administration would do better to mind its own business than to preach to other countries on democracy and human rights.

In summary, in New Jersey, Mr. Bush shed more tears in mourning for human rights that are allegedly being trampled on.

The third point is that Mr. (?Black), one of President Bush's close friends and a leading strategist of the Democratic Party, held a news conference on 23 July to indirectly remind Mr. Bush to return to the main issue. Mr. (?Black) believes the main issue was stated a little more than a year ago when Mr. Bush himself admitted that if the U.S. economy does not improve by this fall, he may be defeated in the election at the end of this year.

NHAN DAN Cited on Bush Worry About 2d Term

BK0908075892 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 31 Jul 92

[From the press review]

[Text] The paper NHAN DAN carries in its "International Affairs" section an article by Le Lien entitled: "A Fierce Contest of Strength, Dealing With the Ongoing Preparations for the U.S. Presidential Elections." The author says: People predict that given such a difficult situation, at its national convention in mid-August, the Republican Party will adopt strong measures to regain its political superiority needed for the decisive forthcoming phase of the election campaign.

Republican strategists disclosed that Mr. James Baker would quit his position as secretary of state to head Mr. Bush's election campaign like he did in 1988. The transfer of the most important official in charge of foreign affairs to the post of domestic political stage manager is proof of Mr. Bush's worry about his chance to win the elections. According to White House officials, nothing Mr. Bush has said or done has a greater impact than the transfer of Mr. Baker to head his election campaign, which has so far been an indicator of a lack of direction and momentum.

Politburo Members Meet Visiting PRC Delegations

Vo Tran Chi Meets Women's Delegation

BK1008094192 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 10 Jul 92 p 1

[Report by H.S.]

[Text] On the evening of 9 July, Comrade Vo Tran Chi, member of the Communist Party of Vietnam [CPV]

Central Committee Political Bureau and secretary of the Ho Chi Minh City party committee, cordially received a high-level Chinese women's delegation led by Comrade Lin Liyun, member of the Communist Party of China [CPC] Central Committee, member of the National People's Congress Standing Committee, and vice chairwoman of the All-China Women's Federation. The delegation is currently paying a visit to Ho Chi Minh City.

Comrade Doan Le Huong, chairwoman of the city women's union, and Comrade Vu Bong, director of the External Affairs Service, were also present at the reception. Also on hand was Zhang Dewei, Chinese ambassador to our country.

In his cordial conversation with the delegation, Comrade Vo Tran Chi highly valued the valuable contributions that Vietnamese women of Chinese ancestry have made to the struggle for national independence, defense, and construction.

Comrade Lin Liyun thanked the comrade leading city officials for the warm welcome they had reserved for the delegation. She expressed her admiration for President Ho Chi Minh and hoped that Vietnamese women of Chinese ancestry would unite more closely with Vietnamese women as a whole in the renovation aimed at turning Vietnam into a prosperous country.

Phan Van Khai Meets Pricing Delegation

BK0808152592 Hanoi VNA in English 1520 GMT 8 Aug 92

[Text] Hanoi VNA August 8—A visiting delegation of the Pricing Department under the State Council of China led by Ma Kai, deputy head of the department, was received here on Friday by Phan Van Khai, Politburo member of the Communist Party of Vietnam Central Committee and vice premier.

Chinese Ambassador to Vietnam Zhang Dewei was also present at the event.

The Chinese delegation arrived here on August 2 for a visit as guest of the Vietnam State Pricing Commission.

During its stay, the delegation paid a floral tribute to the late President Ho Chi Minh at his mausoleum.

It exchanged views with some Vietnamese institutions concerned on experience in pricing, and cooperation in this field between the two countries.

The Chinese guests also visited some production and business establishments.

General Greets PRC Minister on Army Anniversary

BK0808134292 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 31 Jul 92

["Text" of letter of greetings from Senior General Doan Khue, Vietnamese minister of National Defense, to his Chinese counterpart Qin Jiwei on the 65th founding anniversary of the Chinese People's Liberation Army, 1 August—date of letter not given]

[Text] Dear comrade minister: On the occasion of the 65th founding anniversary of the Chinese People's Liberation Army, I would like to extend to you my best greetings.

I hope that the friendly relations and the mutual understanding between the peoples and armies of our two countries will be increasingly consolidated and developed.

I wish you, comrade minister, good health and happiness in life.

My respectful salutation.

Economic Commission Group Returns From PRC

OW0808144092 Hanoi Voice of Vietnam in Mandarin 0830 GMT 8 Aug 92

[From the "News" program]

[Text] China's Wu Xueqian, member of the CPC Political Bureau, expressed hope of further strengthening contacts between the leaders of Vietnam and China during a recent meeting with a delegation of the Central Economic Commission of the Vietnamese Communist Party (VCP), led by Nguyen Ha Phan, secretary of the VCP Central Secretariat, and chairman of the Economic Commission under the VCP Central Committee. He held that various forms of contact would mutually create favorable conditions for developing increasingly improved relations between the Vietnamese and the Chinese communist parties and between the two countries.

On 5 August, the VCP Central Committee's Economic Commission delegation returned to Hanoi after concluding its visit to China. The delegation was extended a cordial and friendly reception by Chinese leaders.

Vo Van Kiet Receives Departing Indian Ambassador

BK0708161992 Hanoi VNA in English 1512 GMT 7 Aug 92

[Text] Hanoi VNA August 7—Indian Ambassador Jagdish Chandra Sharma today paid a farewell visit to Premier Vo Van Kiet, concluding his term of office in Vietnam.

The ambassador informed the Vietnamese leader of India's efforts in its cooperation with Vietnam in gemstone and appatite production and its plans for cooperation in science and other fields Vietnam is interested in. He said he hoped that the Indo-Vietnamese relations would continue to develop, especially in economic and trade fields.

For his part, Premier Vo Van Kiet highly appreciated the friendship and cooperative ties between the two countries which, he said, despite fast and disadvantageous upheavals in the world have constantly consolidated. The unanimity of views of the leadership of the two countries on important international issues is the firm basis of the development of their traditional relations, he added.

On the coming India visit by party General Secretary Do Muoi, Premier Vo Van Kiet said he hoped the visit would be successful and would open up prospects and possibilties for consolidating and strengthening the fine Indo-Vietnamese relations for the sake of the two peoples, for peace, friendship, stability and development in the region and the world.

Hmong Preachers Arrested for 'Security' Breach

BK0708105292 Hong Kong AFP in English 0902 GMT 7 Aug 92

[Text] Hanoi, Aug 7 (AFP)—Three Catholic preachers from Vietnam's Hmong community have been arrested for breaching national security, the QUAN DOI NHAN DAN daily announced here Friday.

Police arrested three persons involved in the group on April 13, including Ly Van Din, Vang Seo Sang and Sung Khai Pha, who were also prosecuted for spreading illegal religious propaganda, said the Vietnamese army daily.

The arrests were linked to a recent political affair involving the attempt at restoring a monarchy among the Hmong people, also known as Meo, who have traditionally been rebellious against central authority.

The daily said that it was "demonstrated that the affair was not purely religious, but that it also carried a breach of national security by linking in a suspicious manner the Hmong king and the God of Catholics."

According to the newspaper, the preachers, led by Trang Seo Va, tried to convert people in the mountainous northwest province of Ha Giang, where the Hmong ethnic community lives.

"Va and his accomplices gathered the masses, made it so that they no longer believed in the party or the state ... in view of local riots," QUAN DOI NHAN DAN said without providing details as to what happened to the religious leader.

The daily also listed other provocations by the group, including inciting people to follow religion rather than the communist party and President Ho Chi Minh, and teaching religious chants "that speak of Christ and recommend following God in order to have a better life."

The paper reported that Trang Seo Va "was one of the principal organisers of the affair for the 'proclamation of the Hmong king' from 1990-91."

The Hmong live on the high plateaus of central Vietnam and in the mountains of the north and northwest, where they devote themselves to growing poppies.

Some of the Hmong have been Catholic since Vietnam's colonisation by the French, but they generally practise their religion without priests and in total isolation.

In 1991, some 60,000 Hmong abandoned their lands in the northwest for the high plateaus in central Vietnam to find better living conditions, according to officials.

With 556,000 Hmong registered in a 1989 census, the group is one of Vietnam's principal ethnic minorities. The Hmong are present in all countries on the Indochinese peninsula as well as in south China.

Finance Ministry Conference on Privatization

BK0608134992 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Jul 92

[Text] On 27 July in Hanoi, the Ministry of Finance convened a conference on switching state business establishments to share-holding corporations. The objective of the conference is to implement the Council of Ministers chairman's decision to switch a number of state business establishments to share-holding corporations on an experimental basis. This is a form of switching business establisments from a state ownership to a multisectorial ownership system under which some business establishments will continue to be owned by the state while the rest will be owned by other economic sectors. The objectives of the move are to mobilize all sources of investment capital in support of production, to accelerate efforts to handle and overcome existing problems facing the state sector, to create conditions for the laboring people to own businesses, and to improve the efficiency of their business operations.

Representatives of the Ministries of Finance and Labor, War Invalid, and Social Welfare Services presented guiding principles governing financial affairs, workers' compensations, and labor insurance as well as other documents about the switching of state enterprises to share-holding corporations. The documents will help state business establishments switch to share-holding corporations and improve the efficiency of their production and business operations according to a new production method patterned after the existing multisectorial economic system.

Trade in Right To Use Land Promoted

BK0708021892 Bangkok BANGKOK POST in English 6 Aug 92 p 26

[Text] Although the law does not permit private ownership of land, trading in rights to land use is booming, prompting the Vietnamese government to ponder adjustments. Six hundred US dollars per square metre is quoted as a price for selling the rights to use land in the prime area of Hanoi, according to one Hanoian.

Legally, there is a distinction between selling the right to use land and selling the land itself. But the distinction is becoming increasingly blurred. Houses can be sold, and by building a primitive makeshift structure on a plot of land, a Vietnamese can claim de facto ownership and then trade his rights to use that plot to others.

"The law does not envisage land sales. But frankly speaking, the reality is that people are selling land among themselves," said Dr Nguyan Do Khue, head of the international cooperation and investment division of the Hanoi People's Committee. Dr Khue's division theoretically supervises and controls all forms of foreign presence in Hanoi—imports, exports and tourism-related activities, foreign investment and all governmental and non-governmental aid to Hanoi.

"The real estate business is very active in the capital," he told BUSINESS POST. The skyrocketing rent rates as foreigners search for office sites and accommodation, and rights to land use changing hands, is all taking place in the face of very few substantial foreign investment projects materialising here, despite the government's efforts to attract them.

The Hanoi People's Committee itself has its foot in their real estate business as well, through three firms, namely Haneko, Housing Service Co, which belongs to the land and real estate department of the Municipal People's Committee, and Building Service Co, affiliated to the Tourist Service Co of the Hanoi People's Committee.

Rent varies significantly in each location of Hanoi, between US$8 and US$35 per square metre, something of a shock to first-time visitors, especially those from Thailand whose real estate market had recently gone flat after the bubble a few years ago.

Here in Hanoi, the lower end of that range may land you in a side street, with no guarantee of continued power and water supply, while the downtown areas accord immunity against blackouts.

Rents are negotiated and struck strictly between tenants and landlords, and there can be no state interference in the process. The exorbitant rate reflects the straight rule of demand/supply—as businessmen would point out.

"It's only natural for owners to set high prices once they see that their foreign clients are rich and willing to pay," said Dr Khue. However, the Vietnamese themselves play a role in inflating rents. He cited for example the Vietnamese would not hesitate to pay 8 million Dong (around 18,605 baht) per square metre to secure space at Dong Xuan market, where daily sales of goods could fetch as much as 12 million dong (about 27,906 baht) in a 60-square metre shop in some cases.

The rent situation is even more volatile in the southern economic centre of Ho Chi Min City. The Ministry of Commerce and Tourism reports that every month foreigners spend some US$2 million in the rent and related expense such as repair and refurbishment of the places they rent in Ho Chi Minh City. Dr Khue indicated that some changes regarding rules and law of land use are on the way in the near future, with the main aim of making land use rules more attractive to foreign investors.

Recently an agreement was reached in Hanoi for a $1.7 million feasibility study on land management co-sponsored by the Vietnamese Government, the United Nations Development Programme [UNDP], the West Australian Government and the Institute for Land Management of Australia, a private consortium.

A UNDP statement said the study would allow the government to assess the feasibility of establishing a land management system which includes a systemtic rating and land tax system.

The free-up of capital once private individuals can use land as collateral will also increase credit flows and transaction fees. But implementation of a full title system, once the government decides that it will use the system, could take up to 15 years, according to a report carried in the semi-official weekly VIETNAM INVESTMENT REVIEW.

"By the time private ownership of land is allowed, the government can also earn some revenues in the transfers of ownership and it can use that revenue to reclaim land in other areas," said Dr Khue. He also believes that legislative changes on land use—to catch up with the rapidly spinning wheel of wild market forces—could come sooner than one thinks. "Because every country already has land sales law enforced at different levels, in different directions," said the former lecturer at Hanoi Polytechnic University.

Asked if the Vietnamese leadership would be receptive to such changes that will have far-reaching implications for the socialist system, Dr Khue gave one good reason for optimism.

"Four years ago there did not exist any kind of private ownership in Vietnam—even the houses they live in. Back then the law stipulated that an owner of a workshop could not employ more than five workers. But since 1988 private ownership has started to flourish, and has been recognised. Until this moment, the law recognises private ownership of houses, and even that individuals can sell or rent out their houses. Therefore there will come a time when the law will recognise private ownership of land," he said.

Government Withdraws Foreign Investors Licenses

BK0708034192 Bangkok BANGKOK POST in English 7 Aug 92 p 26

[By Supaphon Kanwirayothin in Hanoi]

[Text] Vietnam has withdrawn licences for 52 small-scale foreign investment projects, among them a joint Thai-Vietnamese shrimp farm venture in Vung Tau.

Vietnam is giving "deeper consideration" to the commercial viability of small-scale projects before they get a licence because some cannot be implemented for a variety of reasons.

Vieco Shrimp Farm, a company jointly set up by Vung Tau Con Dao Export-Import Co and Marine Industry of Shrimp Farm (Thailand)—among the pioneers in the field—in 1988 became the fifth company to receive a licence from the State Committee for Cooperation and Investment (SCCI).

Vieco Shrimp Farm said the Vung Tau project was aimed at exports but had it not succeeded in carrying out the plan, according to Hoang Ngoc Cu, deputy director-general of the Foreign Investment Department, Ministry of Commerce and Tourism.

By the end of July, the SCCI had withdrawn 52 licences for investment projects involving a proposed total capital of US$362 million, accounting for about 10 percent of the total capital invested in Vietnam.

Vietnam's foreign investment law empowers the SCCI to revoke licences for projects that cannot start in nine months. In many cases, the companies sought and were granted an extension of the time between the issuing of the licence and start-up date.

Mr Cu said the Vietnamese Government almost cancelled the licence of B.H. Mining in 1989, but the Thai firm later won a reprieve and managed to retain its licence following some adjustments.

Official statistics show that among the 52 projects now affected, 16 involve light industry, 11 agriculture, forestry and fisheries, five communications and transport, and three in mining for minerals.

Except for oil and gas exploration there has been no major foreign investment in Vietnam.

"The Vietnamese Government decided to withdraw these 52 licences because most were granted in the very early stage of foreign investment here. Some projects struck difficulties in finding capital. There were also companies where activities did not conform to the foreign investment law," Mr Cu said

While failure to secure capital for operations is the main reason in several cases, there were cases where broker companies received licences not with the intention to operate but instead to trade the paperwork.

"That happened in some small projects which lacked capital. But when the Vietnamese authorities found out about it we applied some measures to stop it," said Mr Cu, who stressed that respectable foreign companies abide by the law.

Projects to build the Kim Son Hotel and the Vung Tau Enterprise in Vung Tau also went wrong. Mr Cu said only the frames were erected but other details were not settled.

A US$100,000 project for ice-cream production was halted as was a proposal to overhaul second-hand sewing machines and sell them in Vietnam. This failed because the Vietnamese prefer, and now can afford, to buy new ones.

Two projects, each proposed by separate foreign companies in what the Vietnamese Government calls the "transport and communications" field, were to salvage treasure from sunken ships off the southern coast of Vietnam.

"For one project, they did not have adequate technology to work in Vietnamese waters. In the other case, the operation did not show a good return because, for instance, for nine tons of tin they had to spend up to US$3,000 a day," he said.

Mr Cu said Vietnam took this experience in its stride as "natural" in the learning process.

Vietnam will continue to make procedures "more convenient" for foreign investors to acquire licences and, at the same time, scrutinise the applicants.

"One lesson we learned from the withdrawal of these 52 licences is that in the early days we did not study enough the feasibility of those projects—aspects like capital sources, the legal status of joint venture partners, the question of quality and the market for the products," he said.

Foreign Companies Win Contracts To Build Grid

BK1008091592 Bangkok BANGKOK POST in English 10 Aug 92 p 36

[Text] Hanoi—Construction of five substations along the 1,500 kilometre long north-south power transmission line is due to start in early September, a senior official of Vietnam's Ministry of Energy said last week.

The Ministry selected foreign companies to supply the country's first mammoth project with materials and equipment for the substations, while bidding is underway for the national dispatch centre according to Mr Nguyen Tien Hao, director of administration, Ministry of Energy. The 500-kilovolt line, at an estimated cost of about US$300 million will transmit much of the energy from the largest plant in Hoa Binh to feed the central and power-starved southern regions.

Prime Minister Vo Van Kiet, saying that this project will play a decisive role in Vietnam's economic development, presided at a ceremony on April 5 to mark the start of the project, at Hoa Binh which is the country's largest power plant south of Hanoi.

The five sub-stations along the route are located in Hoa Binh (900 MVA); Danang (450 MVA) Pleiku (450 MVA), Ho Chi Minh City (900 MVA) and the switch station in Ha Tinh.

The Ministry has set the end of this month as the deadline to complete technical designs for the installation of power poles for a 950-kilometre stretch of the entire project, and then four of the Ministry's companies will be assigned to install the poles.

Japan's Nissho Iwai won the bid to supply optical fibres while South Korea's Hyundai and Lucky Gold Star, and a company from Ukraine will provide the steel and 21,000 tons of wire. Siemens of Germany won the contract to construct the substations while a French company will deal with the electric ceramic materials supply. Tractebel of Belgium is involved in the safety and standards of the project, which Mr Hia stressed "safety" as the top priority.

At the same time, four foreign companies, including Nissho Iwai are vying for the switch station contract, whose outcome is not decided yet, according to Mr Hai.

Apart from the promised "subsidy" of $120 million from Hissho Iwai and some "help" from Tractebel which examines and checks equipment and designs, Vietnam has to draw on its state coffer to pay for the material and equipment supply, "as we have not been able to borrow from other sources," said Mr Hai.

Foreign suppliers of sub-station equipment said the products will come one year after Vietnam opens the letter of credits, he said, adding: "Until now, all the major contracts (with foreign companies) have been signed."

Besides raising money domestically, the Vietnamese government has mobilised labour and contribution in kind from local authorities in site clearance and to date have foundations ready for 1,200 power poles.

The North-South powerline will use 3,400 poles, of which Vietnam can produce 1,400 and the remaining 2,000 will be imported.

"If works proceed at this rate, we are confident that preparations for installing of all the power poles can be done by the end of this year, and we are trying to install one third of the total poles by the end of the year, as well," said Mr Hai.

Presently, the Ministry of Energy laid out the timetable of early next year for all the cables supply to reach the various stations along the way, and cable-fitting works should be completed by September next year.

"By the end of 1993 to early 1994 we should be able to finish the project but on conditions that we have enough funds and all the steps are carried out properly," said Mr Hai.

The prime obstacle is the lack of funding because Vietnam has not been able to borrow money from major financial institutions due to the US embargo.

Joint 'Soviet' Gas, Oil Operations Viewed

BK0708012492 Hanoi VNA in English 1312 GMT 6 Aug 92

[Text] Hanoi VNA August 6—The Vietnamese-Soviet oil and gas prospection and exploitation joint venture company (Vietsovpetro) in the first seven months of this year pumped up more than three million tonnes of crude oil achieving 55 percent of its yearly plan. Particularly, in July the enterprise put the oil tanker No. 2 (Chi Lang) into operation helping in exploiting 15,000 tonnes of crude daily.

Vietsovpetro plans to raise its daily output to between 16,000 and 17,000 tonnes in the third quarter of this year.

Australia

Ban on Contacts With Thai Military To Be Lifted

LD0708221192 Melbourne Radio Australia in English 0700 GMT 7 Aug 92

[Text] Australia is preparing to lift its ban on top-level defense contacts with Thailand. The ban on dealings with the Thai military was imposed in May following the killing of at least 50 pro-democracy demonstrators in Bangkok.

Radio Australia's Canberra office says the Foreign Affairs Department is about to report to the Foreign Minister Gareth Evans on the situation in Thailand. (?Our) office understands the submission will recommend the lifting of the ban on contacts with senior members of Thailand's military. This follows the announcement by the Anan government of a military reshuffle involving senior officers blamed for the violent suppression of the demonstrations. Australia resumed senior political contacts with Thailand following Mr. Anan's appointment as interim prime minister pending new elections.

New Zealand

U.S. Chemical Arms Destruction Site Termed Safe

BK1008103492 Hong Kong AFP in English 1009 GMT 10 Aug 92

[Text] Wellington, Aug 10 (AFP)—The U.S. chemical weapons disposal system on remote Johnston Atoll was Monday termed safe by a South Pacific Forum scientific mission.

The mission's report was hailed here by Disarmament Minister Doug Graham who said it "should alleviate concerns about environmental damage from the facility.

The Johnston Atoll Chemical Agents Disposal System (JACADS) upset the forum two years ago when biological and chemical weapons from U.S. bases in then West Germany were taken by sea to the atoll for destruction.

The atoll is 1,130 kilometres (700 miles) west-south-west of Honolulu, and to the north of the Marshall Islands and Kiribati.

The forum sent a mission comprising two scientists from Australia and one each from Papua New Guinea and New Zealand to JACADS last November.

In a report released by the forum secretariat in Suva, the mission said there was "some logic" for the facility to continue to destroy weapons beyond the 1995 date Washington had told the forum it would close down.

The report said there was no significant regional environmental threat from JACADS, but sea air might have some effect on the facility later.

But it said the facility would in 1995 represent a "functioning proven destruction facility" and added: "There will be a degree of pressure, founded on some logic, to continue the use of Johnston Island facility to carry out a further chemical weapons destruction programme."

There was, the report said, no technical reasons why destruction should not continue there.

It noted that the old Soviet Union's stockpile of biological and chemical weapons could end up at JACADS.

If the United States decided to extend JACADS then the forum should send another mission, the report said.

Graham, in his reaction, said the report had identified a "number of encouraging aspects" of the operation, including safety mesures.

He also praised the United States for its cooperation with the forum mission.

Party Backs Repeal of Ban on Nuclear Ships

LD0808101192 Melbourne Radio Australia in English 0900 GMT 8 Aug 92

[Text] Delegates at New Zealand's ruling National Party conference in Auckland have backed a proposal to open ports to nuclear powered ships. In a close vote they decided to try to restore full relations with the United States and Australia by repealing a ban on nuclear powered ships entering the nation's ports. The National Party government had said that it would wait for a report by an independent committee before making a decision on lifting the ship ban. Currently New Zealand bans all nuclear powered and nuclear armed vessels—a policy that has effectively removed it from the ANZUS defense alliance with Australia and the United States. Party official Rosemary Thomas said the vote did not challenge the nuclear-free weapons issue but it was a signal to those countries that New Zealand was prepared to stand up and be counted. She said the world was in a more uncertain position now than it had been for the past 50 years and international friends had never been more important to New Zealand.

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